

SECTION 71: MONTHLY BUDGET STATEMENT: NATIONAL REPORTING STANDARD: MONTH ELEVEN: 31 MAY 2017: (T 6/1/1-2016/2017): BUDGET AND TREASURY OFFICE



REPORT TO THE NEWCASTLE MUNICIPAL COUNCIL

File Reference:
Report Number:

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FOR CONSIDERATION

1st Level: PORTFOLIO COMMITTEE
2nd Level: EXECUTIVE COMMITTEE
3rd Level: COUNCIL

SUBJECT: MAY 2016/17 MONTHLY SECTION71 REPORT

PURPOSE

The purpose of this report is to apprise the Finance Portfolio Committee, Executive Committee and Council of the monthly financial performance of the municipality as required by Section 71 of the Municipal Finance Management Act 56 of 2003 (MFMA) which states that; the accounting officer of a municipality must by no later than 10 working days after the end of the month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget. This report is submitted to both the National and Provincial Treasuries through a series of MFMA returns that were designed for the purpose of uploading into the National Treasury database.

1 ANNEXURES

- 1.1 uThukela Water Financial Performance report
- 1.2 Financial Reports as at 31 May 2017
 - 1.2.1 Monthly Financial Statements
 - 1.2.2 Grant register
 - 1.2.3 Investment register
 - 1.2.4 Eskom bulk electricity purchases
 - 1.2.5 VAT Reconciliation
 - 1.2.6 Loan register
 - 1.2.7 Bank Reconciliation
 - 1.2.8 Bank Statements
- 1.3 Quality Certificate

2 ANALYSIS OF FINANCIAL RESULTS

The financial analysis comprise of the operating budget performance, capital budget performance, analysis of financial position as well as the cash flows. Major variances and those items with an impact in each of these categories will be discussed in the analysis below.

Table C1: Monthly budget statements summary

The table below provides a high-level summation of the municipality's operating and capital budget actuals to date, financial position and cash flow.

KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - M11 May

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	214,714	256,072	262,901	22,047	243,443	240,992	2,451	1%	265,575
Service charges	914,751	1,083,994	1,037,588	81,150	928,571	951,123	(22,551)	-2%	1,012,987
Investment revenue	12,517	4,000	4,001	186	2,341	3,667	(1,327)	-36%	2,553
Transfers recognised - operational	467,502	325,438	331,488	15,777	460,197	460,197	-	-	331,488
Other own revenue	37,571	40,170	40,415	4,108	33,087	37,047	(3,961)	-11%	36,095
Total Revenue (excluding capital transfers and contributions)	1,647,055	1,709,674	1,676,393	123,268	1,667,639	1,693,026	(25,388)	-1%	1,648,698
Employee costs	489,601	476,620	470,815	42,414	440,331	431,581	8,751	2%	480,362
Remuneration of Councillors	18,453	21,023	21,055	1,577	17,335	19,300	(1,965)	-10%	18,911
Depreciation & asset impairment	456,741	330,121	369,587	36,866	375,603	338,788	36,815	11%	409,749
Finance charges	66,141	61,899	50,312	4,330	46,614	46,119	494	1%	50,852
Materials and bulk purchases	515,969	581,035	556,705	77,359	502,782	510,313	(7,531)	-1%	548,489
Transfers and grants	90,764	96,098	100,964	12,904	96,681	92,550	4,131	4%	105,470
Other expenditure	900,750	388,935	389,383	27,928	294,850	356,934	(62,084)	-17%	321,655
Total Expenditure	2,538,418	1,955,731	1,958,821	203,378	1,774,196	1,795,586	(21,390)	-1%	1,935,487
Surplus/(Deficit)	(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Capital expenditure & funds sources									
Capital expenditure	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Capital transfers recognised	132,181	185,150	215,687	11,710	138,610	197,713	(59,103)	-30%	151,211
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	76,535	90,517	-	-	-	-	-	-	-
Internally generated funds	89,221	-	48,303	6,663	17,991	44,278	(26,287)	-59%	19,627
Total sources of capital funds	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Financial position									
Total current assets	817,098	611,816	464,814		581,777				464,814
Total non current assets	8,303,445	4,620,712	7,782,730		7,693,010				7,782,730
Total current liabilities	439,749	184,956	303,681		402,692				303,681
Total non current liabilities	605,419	676,044	576,043		608,642				576,043
Community wealth/Equity	8,075,375	4,371,528	7,367,820		7,263,453				7,367,820
Cash flows									
Net cash from (used) operating	24,166	215,539	229,355	(8,080)	158,447	158,447	0	0%	229,355
Net cash from (used) investing	(308,750)	(273,623)	(217,100)	(16,902)	(156,628)	(156,628)	-	-	(217,100)
Net cash from (used) financing	(11,656)	59,457	(27,671)	-	(12,781)	(12,781)	-	-	(27,671)
Cash/cash equivalents at the month/year end	44,573	40,554	29,156	-	33,610	33,610	0	0%	29,156
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	42,277	28,039	24,437	21,070	21,373	19,235	114,282	701,351	972,064
Creditors Age Analysis									
Total Creditors	82,481	3,081	705	321	2	-	1,044	-	87,634

2.1 Operating budget performance - revenue

2.1.1 The municipality generated a total revenue of R1 667 639 000 of the adjusted budget of R1 676 393 000, representing 99 percent. The variance between the pro-rata revenue budget and the actual revenue accrued for the same period amounts to R25 388 000, representing an under-performance of 1 percent during the period under review. Although the aggregate performance on revenue generated shows under performance of 1, it is however necessary to explain reasons which attributed to such variance.

2.1.2 The municipality generated R22 551 000 (-2%) less revenue from service charges than a pro-rata budget of R951 123 000 for the period under review. When compared to previous month service charges had a variance of (-2%), the main service charge contributor to that variance was electricity having a variance of R17 936 000 for period under review, due to more conversions to prepaid electricity. Water, refuse and sewer have collectively under-performed by R4 615 000 (-2%). While there is still a need for management to improve on these service charges, however these variances are still considered to be within the acceptable level.

2.1.3 The municipality generated R1 327 000 (36%) less revenue from interest on investments than a pro-rata budget of R3 667 000 for the period under review. During the course of the year the municipality withdrew some investments to compensate for operational expenditure and grant funded capital expenditure.

2.1.4 The municipality generated R3 960 000 (11%) more revenue from sundry revenue than a pro-rata budget of R37 047 000 for the period under review. The attributors to this variance are prepayment tokens and insurance income where they under-performed by 214% and 143% respectively. Fines are still underperforming by (-35%), together with other sources of revenue which seem to be under-performing, it is advised that RIIT submits a report to council in this regard and further interventions be introduced.

2.2 Operating performance – expenditure

The summary of the operating expenditure is reflected in C1 and C4 tables of the Schedule C attached hereto. As at the end of May 2017, the municipality incurred the total expenditure of R1 774 196 000 of the adjustment budget of R1 958 821 000, which represents 91 percent. The variance between the pro-rata expenditure budget and the actual expenditure incurred for the same period amounts to R21 390 000, representing underr-expenditure of 1 percent. The aggregate of 1 percent might seem satisfactory however it is important that each expenditure item is carefully analysed. Variances and reasons which attributed to over/under expenditure in each item, including non-cash items, are explained below:

2.2.1 The main attributors of the over-expenditure are non-cash items, being debt impairment and depreciation. These are accounting items, which are required to reflect on capital charges that compensate for doubtful debtors and assets which deteriorate in value. It is important that the municipality appropriately budget and contribute in reserves for these items for the future costs of unpaid debtors or replacement of assets. While it is acknowledged that it is impractical at this stage to fully provide for these items such that the budget is operating at a surplus, the municipality however

needs to strive to adequately provide for these items.

The municipality incurred R53 200- 000 (-66%) less than the pro rata budget of R80 901 000 on debt impairment during the period under review. Although this provision has been adjusted in the adjustment budget but the budget still appears to be over budgeted for, however this will be monitored closely as debt impairment is calculated annually. Furthermore the municipality spent R36 815 000 (11%) more on depreciation and asset impairment than a pro-rata budget of R338 788 000 during the period under review. During the adjustments budget, depreciation was increased from R330 121 000 to R369 587 000, however the performance still shows that depreciation is under-budgeted. An item has been prepared for submission to council to request more budget appropriation on depreciation, because although it is a non-cash item however it does contribute to un-authorized expenditure, which is not recommended in terms of the MFMA.

2.2.2 The municipality incurred R8 751 000 (2%) more on employee costs than a pro-rata budget of R431 581 000. Management is advised to closely monitor its overtime as it is the main attributor to this variance and ensure that they spent within their budget parameters.

2.2.3 The municipality incurred R1 965 000 (-10%) less on councillors remuneration than a pro-rata budget of R19 300 000. This variance is attributable to the provision of EXCO members which were budgeted as full time councillors.

2.2.4 The municipality incurred R494 000 (1%) more on the interest on loans than a pro-rata budget of R46 119 000. This is due to the monthly interest which has been accrued and which is paid on a quarterly basis. It is expected that which variance will be fully eliminated by the end of June 2017. Nevertheless, the variance of 1 percent is considered to be within the acceptable level.

2.2.5 The municipality spent R7 053 000 (1%) less on the bulk purchases than a pro-rata budget of R507 065 000. This is due to the fluctuating electricity consumption which will be studied closely for the remainder of the financial year. The invoice for Uthukela Water for the month of May 2017 was also not paid. Nevertheless, the variance of 1 percent is considered to be within the acceptable level.

2.2.6 The municipality spent R479 000 (-15%) less on materials that a pro-rata budget of R3 248 000. This is mainly due to the culture of cost containment which has been inculcated.

2.2.7 The municipality spent R2 634 000 (7%) more on contracted services than a pro-rata budget of R35 596 000. The contracts and payments for security services seem to far exceed the budget allocated. It is understood that the bidding process for the new service provider is underway with a view of managing the costs and the budget for 2017/18 financial year.

2.2.8 The indigent benefit was increased from R96 098 000 to R100 964 000 during the adjustment budget, however indigent seem to be over-performing by (4%) for period under review. This implies that more applications are still received however Budget and Treasury Office is still in the process of auditing and cleaning up the indigent register with the view to ensure that consumers who are sitting on our indigent register are rightful consumers, when this exercise is finalised it is expected that the number of indigents might decrease.

2.3 Capital budget performance

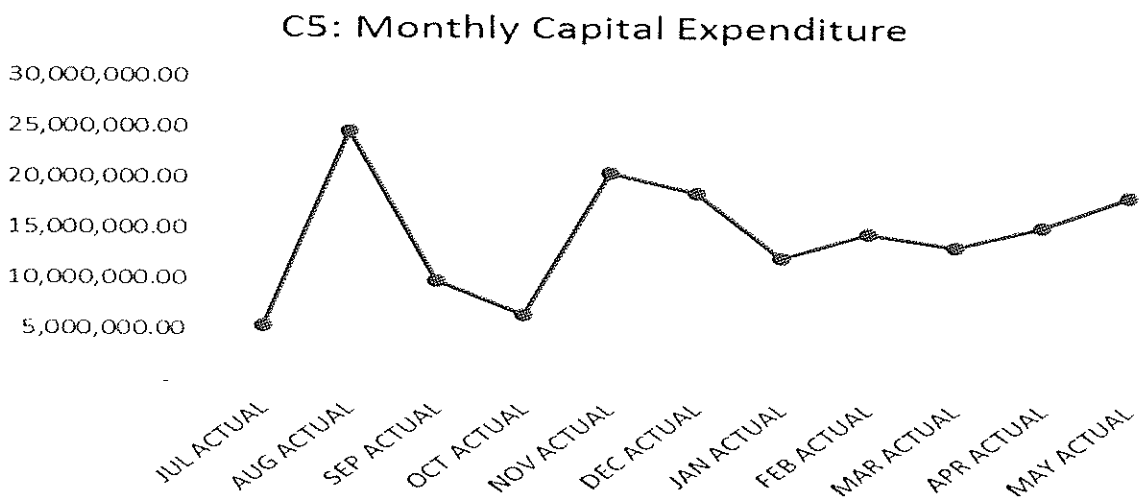
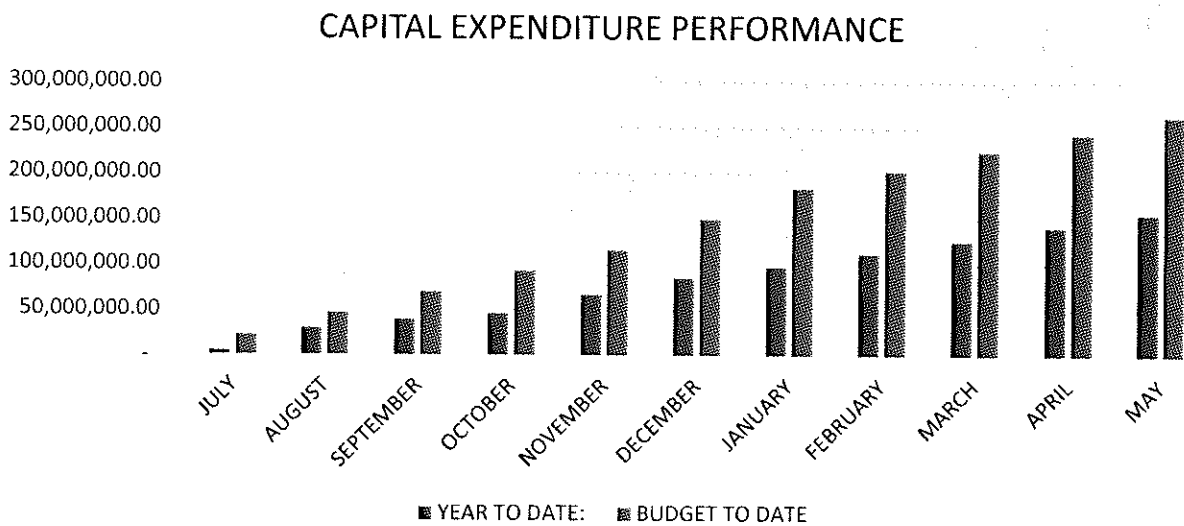
Table C5: Monthly budget statements – Capital Expenditure (municipal vote, standard classification and funding)

The table below reflects the municipality's capital programme in relation to capital expenditure by municipal vote, capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from National and Provincial departments:

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M11 May										
Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - CORPORATE SERVICES		47,141	17,604	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		22,464	31,161	14,500	239	5,336	13,292	(7,956)	-60%	5,821
Vote 3 - BUDGET AND TREASURY		14,280	943	802	-	466	736	(270)	-37%	508
Vote 4 - MUNICIPAL MANAGER		-	2,824	2,824	-	32	2,589	(2,556)	-99%	35
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		121	32,772	57,549	4,615	30,460	52,754	(22,294)	-42%	33,229
Vote 6 - TECHNICAL SERVICES		182,646	175,427	177,602	11,755	112,371	162,802	(50,431)	-31%	122,567
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		31,264	14,936	10,712	1,764	7,936	9,820	(1,884)	-19%	8,658
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Total Capital Expenditure		297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Capital Expenditure - Standard Classification										
<i>Governance and administration</i>		71,570	21,371	3,626	-	498	3,324	(2,826)	-85%	543
Executive and council		47,141	17,604	-	-	-	-	-	-	-
Budget and treasury office		21,067	943	802	-	466	736	(270)	-37%	508
Corporate services		3,362	2,824	2,824	-	32	2,589	(2,556)	-99%	35
<i>Community and public safety</i>		19,760	25,213	14,371	2,445	7,184	13,174	(5,989)	-45%	7,838
Community and social services		15,677	7,933	11,180	239	3,067	10,249	(7,182)	-70%	3,346
Sport and recreation		4,083	16,226	2,800	-	1,863	2,567	(704)	-27%	2,032
Public safety		-	827	162	-	48	149	(101)	-68%	52
Housing		-	100	100	2,206	2,206	92	2,115	2307%	2,407
Health		-	129	129	-	-	118	(118)	-100%	-
<i>Economic and environmental services</i>		113,117	109,904	145,768	8,934	81,682	133,621	(51,939)	-39%	89,108
Planning and development		2,541	32,872	57,549	2,409	28,254	52,754	(24,500)	-46%	30,822
Road transport		110,576	77,231	88,219	6,525	53,428	80,867	(27,439)	-34%	58,285
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		93,489	119,179	100,224	6,995	67,237	91,872	(24,635)	-27%	73,349
Electricity		31,264	14,936	10,712	1,764	7,936	9,820	(1,884)	-19%	8,658
Water		34,800	98,196	89,154	5,230	58,943	81,724	(22,782)	-28%	64,301
Waste water management		27,404	6,047	358	-	358	328	30	9%	391
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Funded by:										
National Government		132,181	185,150	178,266	8,282	120,423	163,428	(43,005)	-26%	131,371
Provincial Government		-	-	37,402	3,428	18,187	34,285	(16,098)	-47%	19,840
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		132,181	185,150	215,667	11,710	138,610	197,713	(59,103)	-30%	151,211
Public contributions & donations		-	-	-	-	-	-	-	-	-
Borrowing	5	76,535	90,517	-	-	-	-	-	-	-
Internally generated funds	6	89,221	-	48,303	6,663	17,991	44,278	(26,287)	-59%	19,627
Total Capital Funding		297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838

Capital expenditure for the eleventh month of the financial year amounted to R156 601 000, which represents 59% of the adjusted capital budget of R263 990 000. Comparison between the pro rata budget of R241 991 000 and actual expenditure for the period reflects an under expenditure of (R85 390 000) which implies that the municipality spent 35 percent less than the budget for the same period. It must be noted that capital grants amounting to R215.6 million which was appropriated to fund capital programme has been received during the current year, however, only R138.6 million has been spent on capital projects, leaving the balance of R77.1 million capital grants unspent. As at 31 May 2017, the municipality closed with the investment portfolio of R32.6 million. This therefore implies that R98.4 million of capital grants were not cash-backed taking into account the Housing Development Fund of R25 million. While it is acknowledged that delays in the implementation of projects have had a negative impact on capital expenditure performance, however, lack of cash to back unspent conditional grants exacerbated the situation. Furthermore, internally funded projects indicate under-expenditure of R26.3 million when compared to the pro-rata budget of R44.3 million. The under-performance of internally funded projects is equally linked to non-availability of cash reserves.

As at the end of the eleventh month, the standard classification capital expenditure per standard classification in comparison to the budget was as follows:



2.4 Financial position

Table C6: Monthly budget statements – Financial Position

The table below reflects the performance to date in relation to the financial position of the municipality.

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		44,573	2,072	2,072	966	2,072
Call investment deposits			38,482	27,913	32,644	27,913
Consumer debtors		707,525	489,883	367,848	484,189	367,848
Other debtors		51,612	68,250	53,592	49,694	53,592
Current portion of long-term receivables		8	11	8	6	8
Inventory		13,381	13,118	13,381	14,278	13,381
Total current assets		817,098	611,816	464,814	581,777	464,814
Non current assets						
Long-term receivables				-	-	-
Investments				-	-	-
Investment property		275,974	265,125	275,974	275,974	275,974
Investments in Associate		346,156	421,324	346,321	342,383	346,321
Property, plant and equipment		7,670,847	3,925,100	7,146,887	7,061,641	7,146,887
Agricultural				-	-	-
Biological assets				-	-	-
Intangible assets		4,497	6,138	7,221	6,685	7,221
Other non-current assets		5,970	3,025	6,327	6,327	6,327
Total non current assets		8,303,445	4,620,712	7,782,730	7,693,010	7,782,730
TOTAL ASSETS		9,120,542	5,232,528	8,247,544	8,274,787	8,247,544
LIABILITIES						
Current liabilities						
Bank overdraft				-	-	-
Borrowing		29,441	32,192	29,375	13,437	29,375
Consumer deposits		12,753	13,389	13,214	13,973	13,214
Trade and other payables		391,780	134,448	255,002	262,340	255,002
Provisions		5,775	4,927	6,090	112,942	6,090
Total current liabilities		439,749	184,956	303,681	402,692	303,681
Non current liabilities						
Borrowing		458,528	528,190	429,127	461,751	429,127
Provisions		146,890	147,855	146,916	146,890	146,916
Total non current liabilities		605,419	676,044	576,043	608,642	576,043
TOTAL LIABILITIES		1,045,167	861,000	879,724	1,011,334	879,724
NET ASSETS	2	8,075,375	4,371,528	7,367,820	7,263,453	7,367,820
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		8,048,629	4,333,046	7,339,907	7,237,905	7,339,907
Reserves		26,746	38,482	27,913	25,548	27,913
TOTAL COMMUNITY WEALTH/EQUITY	2	8,075,375	4,371,528	7,367,820	7,263,453	7,367,820

2.4.1 As at end the eleventh month of the financial year, the municipality seemed to be showing a favourable equity position, with a net effect of R7.3 billion. While this picture looks good, it is however important to point out major contributors to such a favourable equity position, being consumer debtors and the property plant and equipment (assets), which cannot instantly be converted into cash. The following provides a closer look on some of critical financial position items:

2.4.2 The municipality's consumer debtors as reflected in table SC3 has increased by R8 183 000 and by the end of the eleventh month, the total debtors amounted to R972 890 000. The bulk of this amount (R877 311 000) is debt owing for more than 90 days, while R773 208 000 of the total debt is owed by households. It must be noted that the total figure of debtors is inclusive of indigent. While it is appreciated the intervention which introduced the Revenue Income Task Team which is mandated to devise strategies of dealing with the escalating debt and there by address or improve cash inflows, it is also recommended that the council also intervenes in this regard as the project has been stalled.

2.4.3 Property Plant and Equipment (Assets) comprise of R7.0 billion of the total assets of R8.3 billion as reflected in table C6. These assets comprise of roads, community assets, water infrastructure, electricity infrastructure, other plants and equipment which the municipality has acquired for service delivery as well as for its own use. Service delivery of the municipal is majored by its ability to provide these services to communities. It is however important to note that the majority of these assets may not be easily converted to cash and cash equivalent.

2.4.4 As per AFS received from uThukela indicated that we now have a share of 34%. As represented on our AFS our investment in Associate has decreased from R346million to R342million. This also cannot be converted into cash instantly, however its represents the value of the interest of the municipality with the entity.

2.4.5 The municipality closed with a balance of cash and cash equivalent of R33.6 million as at the end of the eleventh month of the financial year. The balance comprise only of call investments of R32.6 million and the cash of R966 thousand. This amount of R33.6 million includes an amount R25 million for the Housing Development Fund, and the remainder of R8.6 million to fund unspent grants and other municipal operations. This situation shows cash decline compared to March 2017 due to withdrawal of investments.

2.4.6 The municipality had a total loan liability of R475 million as at the end of the eleventh month of the financial year, a capital portion of the loan amounting to R13.4 is payable in the current financial year.

2.4.7 As at the end of May 2017, the municipality had trade creditors amounting to R87.6 million. Important to note is the fact that cash and cash equivalents of R33.6 million as mentioned in 2.4.5 above was not adequate to honour these creditors, taking into consideration the Housing Development Fund of R25 million, unspent grants of R107m and trade creditors of R87.6 million. This therefore indicates that the municipality was operating at a cash deficit of R186 million. Although revenue billed for May was still due to be collected in June however the level of billing and the current payment factor will still generate far less cash than what is required. This situation clearly indicate serious cash flow challenges for the municipality.

2.4.8 As at the end of May 2017, the municipality had unspent conditional grants amounting to R107 million. It is important that expenditure on conditional grants is fast-tracked in line with their conditions so that the municipality does not loose such grants to National Treasury at the end of the financial

year. The balance of cash and cash equivalent indicates that unspent grants are under cash-backed by an amount of R98.4 million, taking it consideration the Housing Development Fund of R25 million as explained above.

2.5 Cash flow analysis

Table C7: Monthly budget statements – Cash Flow

The municipality's cash flow position and cash/cash equivalent outcome is shown on the table below:

KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		214,714	209,979	205,062	35,453	256,850	256,850	-		205,062
Service charges		708,366	903,135	905,895	55,714	733,403	733,403	-		905,895
Other revenue		47,158	28,911	37,223	81	19,323	19,323	(0)	0%	37,223
Government - operating		314,920	325,438	331,488	0	331,488	331,488	-		331,488
Government - capital		149,157	185,150	215,686	-	198,201	198,201	-		215,686
Interest		19,673	5,220	7,525	1,191	14,240	14,240	(0)	0%	7,525
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1,363,680)	(1,380,394)	(1,423,212)	(96,191)	(1,348,444)	(1,348,444)	-		(1,423,212)
Finance charges		(66,141)	(61,899)	(50,312)	(4,328)	(46,614)	(46,614)	0	0%	(50,312)
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		24,166	215,539	229,355	(8,080)	158,447	158,447	0	0%	229,355
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1,688	2,012	2,012	-	-	-	-		2,012
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(310,438)	(275,635)	(219,112)	(16,902)	(156,628)	(156,628)	-		(219,112)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(308,750)	(273,623)	(217,100)	(16,902)	(156,628)	(156,628)	-		(217,100)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		(11,362)	90,517	(0)	-	-	-	-		(0)
Increase (decrease) in consumer deposits		-	1,132	1,705	-	-	-	-		1,705
Payments										
Repayment of borrowing		(294)	(32,192)	(29,375)	-	(12,781)	(12,781)	-		(29,375)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(11,656)	59,457	(27,671)	-	(12,781)	(12,781)	-		(27,671)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		340,813	39,182	44,573	44,573	44,573	44,573			44,573
Cash/cash equivalents at month/year end:		44,573	40,554	29,156	29,156	33,610	33,610			29,156

2.5.1 The municipality opened with a cash and cash equivalent balance of R44.5 million at the beginning of the financial year and closed with a balance of R33.6 as at the end of May 2017, which represents a cash decrease of R10.9 million. These balances both include an amount of R27.4 million for the Housing Development Fund, which belong to the KZN Department of Human Settlements.

2.5.2 Cash flows from operating activities yielded a net cash inflow of R158.4 million as result of receipts from services charges, property rates, government grants as well as other sundry receipts.

This net cash inflows was after the municipality paid its suppliers for services rendered, remunerated its employees and paid the portion of the outstanding interest on loans.

2.5.3 Cash flows from investing activities had a cash outflow of R156.6 million. This was the actual cash used by the municipality to implement its capital budget over the past eleven months.

2.5.4 Cash flows from financing activities had a cash outflow of R12.8 million. This relates to the cash paid by the municipality to repay a portion of its long term loan.

CONCLUSION

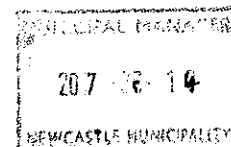
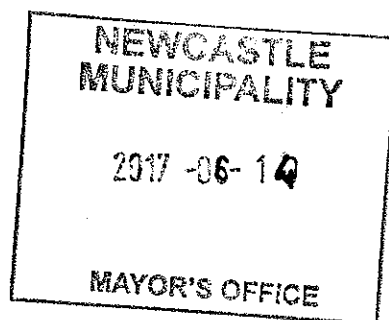
The municipality approved the adjustment budget by end of February 2017 as required in terms of the Municipal Finance Management Act; Section 28. Cooperation within management and structures in council is required in order to curb expenditure on the budget. The issues that still reflect variances in the budget performance report must be monitored and managed to ensure that the municipality operates within the approved budget.

Furthermore, the municipality will continue to explore and implement effective credit control measures through RIIT in order to strengthen its cash base, especially from individual consumers. Other revenue enhancement strategies over and above those currently yielding revenue will have to be explored with a view to widen the revenue and cash base as these seem to be the solution to turn the cash-flow situation around.

RECOMMENDED

- (a) that report be submitted before that end of June 2017 for expenditure items which appear to be over-spend and with a view to avoid unauthorised expenditure;
- (b) that all Strategic Executive Directors enforce strict budget control measure to ensure their votes are not overspent.
- (c) that council reconsider resuscitating water restrictor programme as a means to improve cash inflows

Report seen by:



A handwritten signature in black ink, appearing to be "SM NKOSI".

ME NKOSI
PORTFOLIO COUNCILLOR
BUDGET AND TREASURY OFFICE

SM NKOSI
ACTING STRATEGIC EXECUTIVE DIRECTOR:
BUDGET AND TREASURY OFFICE

KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - M11 May

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	214,714	256,072	262,901	22,047	243,443	240,992	2,451	1%	265,575
Service charges	914,751	1,083,994	1,037,588	81,150	928,571	951,123	(22,551)	-2%	1,012,987
Investment revenue	12,517	4,000	4,001	186	2,341	3,667	(1,327)	-36%	2,553
Transfers recognised - operational	467,502	325,438	331,488	15,777	460,197	460,197	-		331,488
Other own revenue	37,571	40,170	40,415	4,108	33,087	37,047	(3,961)	-11%	36,095
Total Revenue (excluding capital transfers and contributions)	1,647,055	1,709,674	1,676,393	123,268	1,667,639	1,693,026	(25,388)	-1%	1,648,698
Employee costs	489,601	476,620	470,815	42,414	440,331	431,581	8,751	2%	480,362
Remuneration of Councillors	18,453	21,023	21,055	1,577	17,335	19,300	(1,965)	-10%	18,911
Depreciation & asset impairment	456,741	330,121	369,587	36,866	375,603	338,788	36,815	11%	409,749
Finance charges	66,141	61,899	50,312	4,330	46,614	46,119	494	1%	50,852
Materials and bulk purchases	515,969	581,035	556,705	77,359	502,782	510,313	(7,531)	-1%	548,489
Transfers and grants	90,764	96,098	100,964	12,904	96,681	92,550	4,131	4%	105,470
Other expenditure	900,750	388,935	389,383	27,928	294,850	356,934	(62,084)	-17%	321,655
Total Expenditure	2,538,418	1,955,731	1,958,821	203,378	1,774,196	1,795,586	(21,390)	-1%	1,935,487
plus/(Deficit)	(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Transfers recognised - capital	-	-	-	-	-	-	-		-
Contributions & Contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Capital expenditure & funds sources									
Capital expenditure	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Capital transfers recognised	132,181	185,150	215,687	11,710	138,610	197,713	(59,103)	-30%	151,211
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	76,535	90,517	-	-	-	-	-		-
Internally generated funds	89,221	-	48,303	6,663	17,991	44,278	(26,287)	-59%	19,627
Total sources of capital funds	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Financial position									
Total current assets	817,098	611,816	464,814		581,777				464,814
Total non current assets	8,303,445	4,620,712	7,782,730		7,693,010				7,782,730
Total current liabilities	439,749	184,956	303,681		402,692				303,681
Total non current liabilities	605,419	676,044	576,043		608,642				576,043
Community wealth/Equity	8,075,375	4,371,528	7,367,820		7,263,453				7,367,820
Cash flows									
Net cash from (used) operating	24,166	215,539	229,355	(8,080)	158,447	158,447	0	0%	229,355
Net cash from (used) investing	(308,750)	(273,623)	(217,100)	(16,902)	(156,628)	(156,628)	-		(217,100)
Net cash from (used) financing	(11,656)	59,457	(27,671)	-	(12,781)	(12,781)	-		(27,671)
Cash/cash equivalents at the month/year end	44,573	40,554	29,156	-	33,610	33,610	0	0%	29,156
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	42,277	28,039	24,437	21,070	21,373	19,235	114,282	701,351	972,064
Creditors Age Analysis									
Total Creditors	82,481	3,081	705	321	2	-	1,044	-	87,634

KZN252 Newcastle - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		272,895	360,756	367,646	24,273	341,638	337,009	4,630	1%	372,696
Executive and council		16,258	13,210	7,445	650	7,813	6,824	988	14%	8,523
Budget and treasury office		201,988	291,002	304,335	23,599	279,699	278,973	725	0%	305,126
Corporate services		54,649	56,544	55,866	24	54,127	51,211	2,916	6%	59,048
<i>Community and public safety</i>		45,671	25,616	23,349	1,931	18,245	21,403	(3,158)	-15%	19,904
Community and social services		28,988	7,058	6,946	939	7,122	6,367	755	12%	7,770
Sport and recreation		1,125	417	646	18	485	592	(108)	-18%	529
Public safety		5,122	7,557	5,136	471	3,088	4,708	(1,620)	-34%	3,369
Housing		10,404	10,557	10,557	498	7,495	9,677	(2,182)	-23%	8,177
Health		33	28	63	5	55	58	(4)	-6%	60
<i>Economic and environmental services</i>		60,361	5,001	7,381	11,374	75,130	6,766	68,364	1010%	81,960
Planning and development		14,580	666	1,234	7,970	30,073	1,131	28,942	2558%	32,807
Road transport		45,801	4,336	6,147	3,404	45,057	5,634	39,422	700%	49,153
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,267,999	1,318,136	1,277,882	85,681	1,232,502	1,327,724	(95,222)	-7%	1,174,003
Electricity		688,435	771,359	748,239	53,761	678,795	764,052	(85,257)	-11%	655,231
Water		294,234	247,149	229,146	16,605	272,023	249,134	22,889	9%	254,117
Waste water management		177,916	186,113	186,165	8,405	175,982	209,734	(33,753)	-16%	149,344
Waste management		107,414	113,515	114,332	6,910	105,702	104,804	898	1%	115,311
<i>Other</i>	4	130	164	136	10	124	125	(1)	-1%	135
Total Revenue - Standard	2	1,647,055	1,709,674	1,676,393	123,268	1,667,639	1,693,026	(25,388)	-1%	1,648,698
Expenditure - Standard										
<i>Governance and administration</i>		187,373	332,329	346,450	32,476	297,657	317,579	(19,922)	-6%	324,717
Executive and council		(47,541)	90,786	89,999	10,489	80,674	82,499	(1,825)	-2%	88,008
Budget and treasury office		168,462	161,526	191,490	18,108	163,642	175,532	(11,890)	-7%	178,518
Corporate services		66,452	80,017	64,962	3,879	53,341	59,548	(6,207)	-10%	58,190
<i>Community and public safety</i>		254,047	253,527	239,565	19,726	218,464	219,601	(1,137)	-1%	238,324
Community and social services		86,904	90,729	85,584	8,065	79,345	78,452	893	1%	86,558
Sport and recreation		58,257	63,316	60,333	4,691	54,737	55,306	(569)	-1%	59,713
Public safety		73,462	69,346	64,176	4,788	58,838	58,828	10	0%	64,186
Housing		31,257	26,104	25,426	1,798	21,792	23,307	(1,515)	-6%	23,773
Health		4,166	4,032	4,046	384	3,752	3,709	44	1%	4,093
<i>Economic and environmental services</i>		390,394	406,940	410,668	42,834	418,461	376,445	42,016	11%	456,503
Planning and development		31,279	31,183	23,289	1,816	21,139	21,349	(210)	-1%	23,061
Road transport		358,988	377,616	387,241	41,018	397,236	354,971	42,265	12%	433,348
Environmental protection		128	141	137	-	86	126	(40)	-32%	94
<i>Trading services</i>		1,705,618	960,137	961,333	108,337	839,517	881,222	(41,705)	-5%	915,837
Electricity		706,916	562,521	561,042	79,061	522,285	514,289	7,997	2%	569,766
Water		860,238	261,534	273,359	19,703	203,145	250,579	(47,434)	-19%	221,613
Waste water management		37,433	32,248	29,525	2,009	28,246	27,065	1,181	4%	30,814
Waste management		101,031	103,835	97,407	7,564	85,841	89,290	(3,448)	-4%	93,645
<i>Other</i>		986	799	805	5	97	738	(641)	-87%	106
Total Expenditure - Standard	3	2,538,418	1,955,731	1,958,821	203,378	1,774,196	1,795,586	(21,389)	-1%	1,935,487
Surplus/ (Deficit) for the year		(891,363)	(246,057)	(282,428)	(80,111)	(106,558)	(102,559)	(3,998)	4%	(286,789)

KZN252 Newcastle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - CORPORATE SERVICES	1	70,656	69,754	63,311	674	61,940	58,035	3,904	6.7%	67,570
Vote 2 - COMMUNITY SERVICES		143,982	129,317	129,677	8,370	117,332	118,871	(1,539)	-1.3%	127,998
Vote 3 - BUDGET AND TREASURY		201,988	291,002	304,335	23,599	279,699	278,973	725	0.3%	305,126
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		25,094	11,387	11,927	8,477	37,692	10,934	26,759	244.7%	41,119
Vote 6 - TECHNICAL SERVICES		516,649	436,856	418,904	28,387	492,182	462,162	30,020	6.5%	451,653
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		688,686	771,359	748,239	53,761	678,795	764,052	(85,257)	-11.2%	655,231
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1,647,055	1,709,674	1,676,393	123,268	1,667,639	1,693,026	(25,388)	-1.5%	1,648,698
Expenditure by Vote										
Vote 1 - CORPORATE SERVICES	1	730,586	86,215	71,709	4,373	57,557	65,733	(8,176)	-12.4%	62,789
Vote 2 - COMMUNITY SERVICES		309,225	326,605	305,603	25,600	276,380	280,136	(3,756)	-1.3%	301,506
Vote 3 - BUDGET AND TREASURY		168,462	161,526	191,491	18,108	163,642	175,533	(11,891)	-6.8%	178,518
Vote 4 - MUNICIPAL MANAGER		84,830	72,511	74,787	9,568	70,125	68,555	1,570	2.3%	76,500
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		63,522	58,086	49,700	3,619	43,028	45,559	(2,530)	-5.6%	46,940
Vote 6 - TECHNICAL SERVICES		625,444	678,979	695,409	62,950	632,379	637,459	(5,080)	-0.8%	689,868
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		556,350	571,809	570,122	79,161	531,085	522,612	8,473	1.6%	579,366
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2,538,418	1,955,731	1,958,821	203,378	1,774,196	1,795,586	(21,390)	-1.2%	1,935,487
Surplus/ (Deficit) for the year	2	(891,363)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	3.9%	(286,789)

Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		556,350	571,809	570,122	79,161	531,085	522,612	8,473	2%	579,366
7.1 - Electrical Services		556,350	571,809	570,122	79,161	531,085	522,612	8,473	2%	579,366
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2,538,418	1,955,731	1,958,821	203,378	1,774,196	1,795,586	(21,390)	(0)	1,935,487
Surplus/ (Deficit) for the year	2	(891,363)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	0	(286,789)

References

1. Insert 'Vote'; e.g. Department, if different to standard structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

check revenue
check expenditure

KZN252 Newcastle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		214,714	256,072	262,901	22,047	243,443	240,992	2,451	1%	265,575
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		638,731	712,968	689,824	53,094	614,403	632,339	(17,936)	-3%	670,257
Service charges - water revenue		144,962	184,732	161,470	12,779	145,830	148,014	(2,185)	-1%	159,087
Service charges - sanitation revenue		76,454	102,873	102,873	8,370	92,738	94,300	(1,562)	-2%	101,169
Service charges - refuse revenue		54,603	83,421	83,421	6,907	75,601	76,469	(868)	-1%	82,474
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		7,918	7,326	7,326	613	6,690	6,716	(26)	0%	7,298
Interest earned - external investments		12,517	4,000	4,001	186	2,341	3,667	(1,327)	-36%	2,553
Interest earned - outstanding debtors		7,156	6,099	11,750	832	10,153	10,771	(619)	-6%	11,076
Dividends received		-	-	-	-	-	-	-	-	-
Fines		5,206	7,660	5,203	469	3,105	4,770	(1,665)	-35%	3,387
Licences and permits		-	12	12	2	11	11	(1)	-6%	11
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		467,502	325,438	331,488	15,777	460,197	460,197	-	-	331,488
Other revenue		16,522	19,072	16,123	2,192	13,129	14,780	(1,651)	-11%	14,323
Gains on disposal of PPE		770	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,647,055	1,709,674	1,676,393	123,268	1,667,639	1,693,026	(25,388)	-1%	1,648,698
Expenditure By Type										
Employee related costs		489,601	476,620	470,815	42,414	440,331	431,581	8,751	2%	480,362
Remuneration of councillors		18,453	21,023	21,055	1,577	17,335	19,300	(1,965)	-10%	18,911
Debt impairment		542,783	61,007	88,256	4,752	27,701	80,901	(53,200)	-66%	30,220
Depreciation & asset impairment		456,741	330,121	369,587	36,866	375,603	338,788	36,815	11%	409,749
Finance charges		66,141	61,899	50,312	4,330	46,614	46,119	494	1%	50,852
Bulk purchases		513,530	577,973	553,162	77,107	500,013	507,065	(7,053)	-1%	545,468
Other materials		2,438	3,061	3,543	252	2,769	3,248	(479)	-15%	3,021
Contracted services		84,691	52,490	38,832	3,368	38,230	35,596	2,634	7%	41,705
Transfers and grants		90,764	96,098	100,964	12,904	96,681	92,550	4,131	4%	105,470
Other expenditure		269,804	275,438	262,295	19,808	228,919	240,437	(11,518)	-5%	249,730
Loss on disposal of PPE		3,472	-	-	-	-	-	-	-	-
Total Expenditure		2,538,418	1,955,731	1,958,821	203,378	1,774,196	1,795,586	(21,390)	-1%	1,935,487
Surplus/(Deficit)		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	0	(286,789)
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)			(286,789)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)			(286,789)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)			(286,789)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)			(286,789)

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M11 May

Vote Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - CORPORATE SERVICES		47,141	17,604	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		22,464	31,161	14,500	239	5,336	13,292	(7,958)	-60%	5,821
Vote 3 - BUDGET AND TREASURY		14,280	943	802	-	466	736	(270)	-37%	508
Vote 4 - MUNICIPAL MANAGER		-	2,824	2,824	-	32	2,589	(2,556)	-99%	35
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		121	32,772	57,549	4,615	30,460	52,754	(22,294)	-42%	33,229
Vote 6 - TECHNICAL SERVICES		182,646	175,427	177,602	11,755	112,371	162,802	(50,431)	-31%	122,587
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		31,284	14,936	10,712	1,764	7,936	9,820	(1,884)	-19%	8,658
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Total Capital Expenditure		297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Capital Expenditure - Standard Classification										
Governance and administration		71,570	21,371	3,626	-	498	3,324	(2,826)	-85%	543
Executive and council		47,141	17,604	-	-	-	-	-	-	-
Budget and treasury office		21,087	943	802	-	466	736	(270)	-37%	508
Corporate services		3,382	2,824	2,824	-	32	2,589	(2,556)	-99%	35
Community and public safety		19,760	25,213	14,371	2,445	7,184	13,174	(5,989)	-45%	7,838
Community and social services		15,877	7,933	11,180	239	3,087	10,249	(7,182)	-70%	3,346
Sport and recreation		4,083	16,225	2,800	-	1,863	2,567	(704)	-27%	2,032
Public safety		-	827	162	-	48	149	(101)	-68%	52
Housing		-	100	100	2,206	2,206	92	2,115	2307%	2,407
Health		-	129	129	-	-	118	(118)	-100%	-
Economic and environmental services		113,117	109,904	145,768	8,934	81,682	133,621	(51,939)	-39%	89,108
Planning and development		2,541	32,672	57,549	2,409	28,254	52,754	(24,500)	-46%	30,822
Road transport		110,576	77,231	88,219	6,525	53,428	80,867	(27,439)	-34%	58,285
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		93,489	119,179	100,224	6,995	67,237	91,872	(24,635)	-27%	73,349
Electricity		31,284	14,936	10,712	1,764	7,936	9,820	(1,884)	-19%	8,658
Water		34,800	98,198	89,154	5,230	58,943	81,724	(22,782)	-28%	64,301
Waste water management		27,404	6,047	358	-	358	328	30	9%	391
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838
Funded by:										
National Government		132,181	185,150	178,286	8,282	120,423	163,428	(43,005)	-26%	131,371
Provincial Government		-	-	37,402	3,428	18,187	34,285	(16,098)	-47%	18,840
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		132,181	185,150	215,688	11,710	138,610	197,713	(59,103)	-30%	151,211
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	76,535	90,517	-	-	-	-	-	-	-
Internally generated funds		89,221	-	48,303	6,663	17,991	44,278	(26,287)	-59%	18,627
Total Capital Funding		297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	-35%	170,838

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment
- Capital expenditure by standard classification must reconcile to the total of multi-year and single year appropriations
- Include expenditure on investment property, intangible and biological assets
- Must reconcile to Monthly Budget Statement Financial Performance (revenue and expenditure)
- Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M11 May

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote										
Expenditure of single-year capital appropriation										
Vote 1 - CORPORATE SERVICES	1	47,141	17,604	-	-	-	-	-	-	-
1.1 Administration		47,141	17,604	-	-	-	-	-	-	-
1.2 - Human Resources		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		22,464	31,161	14,500	239	5,336	13,292	(7,956)	-60%	5,821
2.1 Culture and Amenities		6,767	10,286	13,880	239	4,456	12,724	(8,267)	-65%	4,862
2.2 - Community Services		15,677	11,874	620	-	880	668	311	55%	960
Vote 3 - BUDGET AND TREASURY		14,280	943	802	-	466	736	(270)	-37%	508
3.1 - Financial Services		14,280	924	802	-	466	736	(270)	-37%	508
3.2 - Data Processing		-	-	-	-	-	-	-	-	-
3.3 - Supply Chain Unit		-	18	-	-	-	-	-	-	-
Vote 4 - MUNICIPAL MANAGER		-	2,824	2,824	-	32	2,589	(2,558)	-99%	35
4.1 - Municipal manager		-	-	-	-	-	-	-	-	-
4.2 - Internal Audit		-	-	-	-	-	-	-	-	-
4.3 - Integrated Development Planning		-	-	-	-	-	-	-	-	-
4.5 - Mayoral Office		-	-	-	-	-	-	-	-	-
4.6 - Public Relations Office		-	-	-	-	-	-	-	-	-
4.7 - Governance		-	-	-	-	-	-	-	-	-
4.8 - Performance Management		-	-	-	-	-	-	-	-	-
4.9 - Information Technology		-	2,824	2,824	-	32	2,589	(2,556)	-99%	35
4.10 - Risk Management		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLE		121	32,772	57,549	4,615	30,460	52,754	(22,294)	-42%	33,229
5.1 - Economic Development		121	1,798	28,086	1,941	16,163	25,745	(10,592)	-41%	16,531
5.2 - Housing and Land		-	100	-	2,208	2,208	-	2,208	#DIV/0!	2,407
5.3 - Town Planning		-	30,874	29,464	468	13,101	27,008	(13,908)	-51%	14,291
Vote 6 - TECHNICAL SERVICES		182,646	175,427	177,602	11,755	112,371	162,802	(50,431)	-31%	122,587
6.1 - Civil Services		101,576	73,731	88,448	6,525	53,428	81,077	(27,649)	-34%	58,285
6.2 - Water and Sanitation Services		81,070	101,696	89,154	5,230	58,943	81,724	(22,782)	-28%	64,301
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		31,284	14,936	10,712	1,764	7,936	9,820	(1,884)	-19%	8,658
7.1 - Electrical Services		31,284	14,936	10,712	1,764	7,936	9,820	(1,884)	-19%	8,658

Total single-year capital expenditure	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	(0)	170,838
Total Capital Expenditure	297,936	275,667	263,990	18,373	156,601	241,991	(85,390)	(0)	170,838

References

1. Insert 'Vote', e.g. Department, if different to standard structure

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		44,573	2,072	2,072	966	2,072
Call investment deposits			38,482	27,913	32,644	27,913
Consumer debtors		707,525	489,883	367,848	484,189	367,848
Other debtors		51,612	68,250	53,592	49,694	53,592
Current portion of long-term receivables		8	11	8	6	8
Inventory		13,381	13,118	13,381	14,278	13,381
Total current assets		817,098	611,816	464,814	581,777	464,814
Non current assets						
Long-term receivables				-	-	-
Investments				-	-	-
Investment property		275,974	265,125	275,974	275,974	275,974
Investments in Associate		346,156	421,324	346,321	342,383	346,321
Property, plant and equipment		7,670,847	3,925,100	7,146,887	7,061,641	7,146,887
Agricultural				-	-	-
Biological assets				-	-	-
Intangible assets		4,497	6,138	7,221	6,685	7,221
Other non-current assets		5,970	3,025	6,327	6,327	6,327
Total non current assets		8,303,445	4,620,712	7,782,730	7,693,010	7,782,730
TOTAL ASSETS		9,120,542	5,232,528	8,247,544	8,274,787	8,247,544
LIABILITIES						
Current liabilities						
Bank overdraft				-	-	-
Borrowing		29,441	32,192	29,375	13,437	29,375
Consumer deposits		12,753	13,389	13,214	13,973	13,214
Trade and other payables		391,780	134,448	255,002	262,340	255,002
Provisions		5,775	4,927	6,090	112,942	6,090
Total current liabilities		439,749	184,956	303,681	402,692	303,681
Non current liabilities						
Borrowing		458,528	528,190	429,127	461,751	429,127
Provisions		146,890	147,855	146,916	146,890	146,916
Total non current liabilities		605,419	676,044	576,043	608,642	576,043
TOTAL LIABILITIES		1,045,167	861,000	879,724	1,011,334	879,724
NET ASSETS	2	8,075,375	4,371,528	7,367,820	7,263,453	7,367,820
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		8,048,629	4,333,046	7,339,907	7,237,905	7,339,907
Reserves		26,746	38,482	27,913	25,548	27,913
TOTAL COMMUNITY WEALTH/EQUITY	2	8,075,375	4,371,528	7,367,820	7,263,453	7,367,820

KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		214,714	209,979	205,062	35,453	256,850	256,850	-		205,062
Service charges		708,366	903,135	905,895	55,714	733,403	733,403	-		905,895
Other revenue		47,158	28,911	37,223	81	19,323	19,323	(0)	0%	37,223
Government - operating		314,920	325,438	331,488	0	331,488	331,488	-		331,488
Government - capital		149,157	185,150	215,686	-	198,201	198,201	-		215,686
Interest		19,673	5,220	7,525	1,191	14,240	14,240	(0)	0%	7,525
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1,363,680)	(1,380,394)	(1,423,212)	(96,191)	(1,348,444)	(1,348,444)	-		(1,423,212)
Finance charges		(66,141)	(61,899)	(50,312)	(4,328)	(46,614)	(46,614)	0	0%	(50,312)
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		24,166	215,539	229,355	(8,080)	158,447	158,447	0	0%	229,355
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1,688	2,012	2,012	-	-	-	-		2,012
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (Increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (Increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(310,438)	(275,635)	(219,112)	(16,902)	(156,628)	(156,628)	-		(219,112)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(308,750)	(273,623)	(217,100)	(16,902)	(156,628)	(156,628)	-		(217,100)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		(11,362)	90,517	(0)	-	-	-	-		(0)
Increase (decrease) in consumer deposits		-	1,132	1,705	-	-	-	-		1,705
Payments										
Repayment of borrowing		(294)	(32,192)	(29,375)	-	(12,781)	(12,781)	-		(29,375)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(11,656)	59,457	(27,671)	-	(12,781)	(12,781)	-		(27,671)
NET INCREASE/ (DECREASE) IN CASH HELD		(296,240)	1,372	(15,417)	(24,982)	(10,963)	(10,963)			(15,417)
Cash/cash equivalents at beginning:		340,813	39,182	44,573		44,573	44,573			44,573
Cash/cash equivalents at month/year end:		44,573	40,554	29,156		33,610	33,610			29,156

KZN252 Newcastle - Supporting Table SC1 Material variance explanations - M11 May

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Interest earned : external investments	-36%	Investments withdrawn earlier than planned	
	Fines Recognised	-35%	We received less funds from fines payed by consumers	
	Other Revenue	-11%		
2	Expenditure By Type			
	Debt Impairment	-66%	Debt impairment is accounted for once at the end of the year.	
	Depreciation	11%	Still in the process of calculating depreciation in line with the finalised revaluation of assets	
	Materials	-15%	Delays of spending due to cash flow	
3	Capital Expenditure			
4	Financial Position			
5	Cash Flow			
6	Measurable performance		The variances in both capital and operational budget performances resulted in the variance in the overall performance of the municipality	
7	Municipal Entities			

KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - M11 May

Description of financial indicator	Basis of calculation	Ref	2015/16	Budget Year 2016/17			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2.6%	20.0%	21.4%	2.6%	3.6%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		25.7%	32.8%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		10.9%	15.9%	9.7%	10.2%	9.7%
Gearing	Long Term Borrowing/ Funds & Reserves		1714.4%	1372.5%	1537.3%	1807.4%	1537.3%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	185.8%	330.8%	153.1%	144.5%	153.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		10.1%	21.9%	9.9%	8.3%	9.9%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		46.1%	32.6%	25.1%	32.0%	25.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Debtors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		29.7%	27.9%	28.1%	26.4%	29.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		31.7%	22.9%	25.0%	2.8%	4.2%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

KZN252 Newcastle - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

Description		Budget Year 2016/17										Total	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.o Council Policy		
		NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-1 Yr	Over 1Yr	Total					
R thousands																
Debtors Age Analysis By Income Source																
	Trade and Other Receivables from Exchange Transactions - Water	1200	9,704	7,521	6,327	6,228	6,420	5,632	31,603	163,680	237,114	213,563				
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	23,768	1,556	839	663	561	428	3,901	6,919	38,635	12,471				
	Receivables from Non-exchange Transactions - Property Rates	1400	16,999	6,802	7,536	5,104	5,497	4,578	27,893	108,216	182,425	151,088				
	Receivables from Exchange Transactions - Waste Water Management	1500	6,112	4,400	4,355	4,048	4,016	3,946	23,070	132,943	182,890	168,023				
	Receivables from Exchange Transactions - Waste Management	1600	3,737	2,093	1,913	1,834	1,793	1,772	10,246	58,798	82,186	74,443				
	Receivables from Exchange Transactions - Property Rental Debtors	1700	324	146	113	86	83	79	490	1,320	2,641	2,059				
	Interest on Arrear Debtor Accounts	1810	897	1,521	975	934	943	908	4,990	39,774	50,942	47,549				
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-				
	Other	1900	(19,263)	3,959	2,380	2,172	2,060	1,892	12,289	189,702	195,230	208,115				
	Total By Income Source	2000	42,277	28,039	24,437	21,070	21,373	19,235	114,282	701,351	972,064	877,311				
2015/16 - totals only																
Debtors Age Analysis By Customer Group																
	Organs of State	2200	(4,761)	2,536	906	675	1,391	652	7,056	22,658	31,123	32,443				
	Commercial	2300	16,210	4,076	4,432	2,322	1,896	1,774	8,690	48,500	87,901	63,181				
	Households	2400	30,837	21,117	18,882	17,889	17,914	16,643	97,591	623,171	844,045	773,208				
	Other	2500	(10)	310	217	183	171	167	935	7,023	8,996	8,479				
	Total By Customer Group	2600	42,277	28,039	24,437	21,070	21,373	19,235	114,282	701,351	972,064	877,311				

KZN252 Newcastle - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	NT Code	Budget Year 2016/17										Total	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year				
R thousands													
Creditors Age Analysis By Customer Type													
Bulk Electricity	0100	38,663											38,663
Bulk Water	0200	4,685											4,685
PAYE deductions	0300	6,914											6,914
VAT (output less input)	0400	1,396											1,396
Pensions / Retirement deductions	0500	13,841											13,841
Loan repayments	0600												-
Trade Creditors	0700	16,968	3,081	705	321	2		1,044					22,121
Auditor General	0800	14											14
Other	0900												-
Total By Customer Type	1000	82,481	3,081	705	321	2	-	1,044	-	-	-	-	87,634

KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
Nedbank		12 months	Call Account		-		-	-	-
Standard Bank		12 months	Call Account		1,837		170,550	(147,678)	22,872
ABSA		12 months	Call Account		653		22,610	(12,932)	9,677
Sanlam		12 months	Call Account		12		85	10	95
Municipality sub-total					2,502		193,244	(160,601)	32,644
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				2,502		193,244	(160,601)	32,644

KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		307,059	311,750	311,750	-	311,750	311,750	-		311,750
Local Government Equitable Share		298,215	306,952	306,952		306,952	306,952	-		306,952
Water Services Operating Subsidy		3,000								
EPWP Incentive		3,286	3,173	3,173		3,173	3,173			3,173
Integrated National Electrification Programme										
Finance Management		1,600	1,625	1,625		1,625	1,625			1,625
Municipal Systems Improvement	3	930						-		
Neighbourhood Development Partnership		28						-		
Other transfers and grants [insert description]								-		
Provincial Government:		11,354	10,643	10,643	-	21,991	21,991	-		10,643
Recapitalisation of Community Libraries		4,750	5,695	5,695				-		5,695
Accredited Municipalities		5,627	4,077	4,077		21,120	21,120	-		4,077
Museums Services		150	334	334		334	334	-		334
Community Library Services Grant	4	510	537	537		537	537	-		537
Sport and Recreation		317						-		
Health subsidy								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total Operating Transfers and Grants	5	318,413	322,393	322,393	-	333,741	333,741	-		322,393
Capital Transfers and Grants										
National Government:		162,530	185,150	185,150	-	186,150	186,150	(0)	0.0%	185,150
Neighbourhood Development Partnership		22,000	28,323	28,323		28,323	28,323	(0)	0.0%	28,323
Municipal Infrastructure Grant (MIG)		110,705	109,214	109,214		109,214	109,214			109,214
Integrated National Electrification Programme		8,000	7,000	7,000		8,000	8,000			7,000
Emergency efficiency & demand side management		7,000	-	-						-
Municipal water infrastructure		14,825	40,613	40,613		40,613	40,613			40,613
Accreditation								-		
Other capital transfers [insert description]								-		
Provincial Government:		11,354	-	15,425	-	9,798	9,798	-		15,425
Level 2 accreditation		4,750						-		
Recapitalisation of Community Libraries		5,627						-		
Sport and Recreation		150		15,425				-		15,425
Community Library Service		510						-		
Museum		317						-		
Corridor Development						9,798	9,798	-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	25,572	-	-	-	-		25,572
European Union				25,572				-		25,572
Total Capital Transfers and Grants	5	173,884	185,150	226,147	-	195,948	195,948	(0)	0.0%	226,147
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	492,297	507,543	548,540	-	529,689	529,689	(0)	0.0%	548,540

KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		307,059	311,750	311,750	213	311,063	311,350	(287)	-0.1%	311,750
Local Government Equitable Share		298,215	306,952	306,952		306,952	306,952	-		306,952
Water Services Operating Subsidy		3,000								
EPWP Incentive		3,286	3,173	3,173	172	2,720	2,909	(189)	-6.5%	3,173
Integrated National Electrification Programme										
Finance Management		1,600	1,625	1,625	40	1,392	1,490	(98)	-6.6%	1,625
Municipal Systems Improvement		930								
Neighbourhood Development Partnership		28								
Other transfers and grants [insert description]										
Provincial Government:		11,354	10,643	10,643	561	8,365	10,141	(306)	-3.0%	10,643
Level 2 accreditation		4,750	5,695	5,695	163	3,751	5,220	(1,469)	-28.1%	5,695
Recapitalisation of Community Libraries		5,627	4,077	4,077	370	4,077	4,077	-		4,077
Sport and Recreation		150	334	334			306	(306)	-100.0%	334
Community Library		510	537	537	27	537	537	-		537
Museum		317								
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total operating expenditure of Transfers and Grants:		318,413	322,393	322,393	773	319,429	321,491	(593)	-0.2%	322,393
Capital expenditure of Transfers and Grants										
National Government:		162,530	185,150	185,150	6,794	123,197	169,721	(46,524)	-27.4%	185,150
Neighbourhood Development Partnership		22,000	28,323	28,323	504	11,954	25,963	(14,009)	-54.0%	28,323
Municipal Infrastructure Grant (MIG)		110,705	109,214	109,214	2,511	75,296	100,113	(24,817)	-24.8%	109,214
Integrated National Electrification Programme		8,000	7,000	7,000	1,119	6,012	6,417	(404)	-6.3%	7,000
Emergency efficiency & demand side management		7,000	-	-						
Municipal water infrastructure		14,825	40,613	40,613	2,659	29,934	37,229	(7,294)	-19.6%	40,613
Accreditation										
Provincial Government:		-	-	15,425	-	295	14,140	(13,844)	-97.9%	15,425
Level 2 accreditation										
Recapitalisation of Community Libraries										
Sport and Recreation										
Community Library				15,425		295	14,140	(7,294)	-19.6%	15,425
Museum										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	25,572	-	9,934	23,441	(13,507)	-57.6%	25,572
European Union				25,572		9,934	23,441	(13,507)	-57.6%	25,572
Total capital expenditure of Transfers and Grants		162,530	185,150	226,147	6,794	133,426	207,301	(73,876)	-35.6%	226,147
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		480,943	507,543	548,540	7,567	452,854	528,792	(74,469)	-14.1%	548,540

KZN252 Newcastle - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M11 May

Description	Ref	Budget Year 2016/17				
		Approved Rollover 2015/16	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share					-	
Water Services Operating Subsidy					-	
EPWP Incentive					-	
Integrated National Electrification Programme					-	
Finance Management					-	
Municipal Systems Improvement					-	
Other transfers and grants [insert description]					-	
Provincial Government:		6,825	163	3,817	3,008	44.1%
Recapitalisation of Community Libraries		1,797			1,797	100.0%
Museums Services		695			695	100.0%
Community Library Services Grant		66		66	-	
Sport and Recreation					-	
Health subsidy					-	
Human Settlement		4,267	163	3,751	515	12.1%
District Municipality:		-	-	-	-	
[insert description]					-	
Other grant providers:		-	-	-	-	
[insert description]					-	
Total operating expenditure of Approved Roll-overs		6,825	163	3,817	3,008	44.1%
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Neighbourhood Development Partnership					-	
Accreditation					-	
Other capital transfers [insert description]					-	
Provincial Government:		6,970	370	5,841	1,128	16.2%
Recapitalisation of Community Libraries		5,501	370	4,372	1,128	20.5%
Corridor Development		1,469		1,469	-	
District Municipality:		-	-	-	-	
[insert description]					-	
Other grant providers:		-	-	-	-	
[insert description]					-	
Total capital expenditure of Approved Roll-overs		6,970	370	5,841	1,128	16.2%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		13,795	533	9,659	4,136	30.0%

Performance Bonus								-		
Motor Vehicle Allowance								-		
Cellphone Allowance								-		
Housing Allowances								-		
Other benefits and allowances								-		
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-		-
% Increase	4									
Total Municipal Entities		-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS		467,578	497,643	491,870	43,991	457,666	450,881	6,785	2%	499,273
% increase	4		6.4%	5.2%						6.8%
TOTAL MANAGERS AND STAFF		448,370	478,620	470,815	42,414	440,332	431,581	8,751	2%	480,362

KZN252 Newcastle - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M11 May

R thousands	Description	Ref	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework			
			July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
	Cash Receipts By Source																	
	Property rates		22,926	18,706	22,234	18,706	18,706	19,517	18,704	14,995	41,957	15,124	12,179	22,278	(22,265)	205,063	219,417	234,776
	Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - electricity revenue		38,944	50,862	53,506	44,591	58,332	26,597	30,198	30,198	27,962	38,157	63,767	73,090	128,853	634,638	682,551	728,596
	Service charges - water revenue		12,623	15,394	14,345	14,577	11,480	15,394	6,793	6,793	5,967	6,601	6,261	12,779	3,731	125,947	134,763	144,196
	Service charges - sanitation revenue		7,030	8,573	8,459	8,530	8,463	8,573	3,070	2,891	2,891	3,276	2,878	8,370	10,129	80,241	85,858	91,868
	Service charges - refuse		5,700	6,952	6,886	6,789	6,875	6,952	3,112	3,112	3,133	3,244	3,094	6,907	5,445	65,068	69,623	74,497
	Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rental of facilities and equipment		500	611	577	749	488	519	606	606	593	642	605	612	825	7,326	8,059	8,865
	Interest earned - external investments		333	1,848	166	212	(52)	333	315	315	229	150	218	2,271	(2,224)	4,001	10,337	11,370
	Interest earned - outstanding debtors		102	508	845	1,154	998	508	389	389	756	879	1,045	832	(4,491)	3,525	6,897	7,587
	Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fines		159	318	118	172	121	478	353	353	510	170	173	469	(1,481)	1,561	6,226	5,849
	Licences and permits		1	1	1	1	1	1	1	1	1	1	0	2	1	12	13	15
	Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transfer receipts - operating		17,204	24,850	14,158	15,446	4,632	102,713	7,580	7,580	10,863	134,042	976	2,024	0	331,488	314,600	321,688
	Other revenue		299	299	299	1,295	3,187	1,989	2,024	2,024	939	2,024	976	2,024	13,364	28,321	20,944	23,003
	Cash Receipts by Source		105,822	128,723	121,584	112,182	114,041	182,352	69,637	95,801	204,311	91,197	129,634	131,888	1,487,191	1,599,288	1,651,310	
	Other Cash Flows by Source																	
	Transfer receipts - capital		24,000	41,161	4,625	-	13,360	75,837	39,218	-	-	-	-	-	-	17,485	184,662	222,540
	Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Increase in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Cash Receipts by Source		129,822	169,884	126,219	186,643	127,401	258,189	106,855	95,801	204,311	91,197	129,634	131,888	1,706,994	1,746,620	1,876,308	
	Cash Payments by Type																	
	Employee related costs		28,668	29,411	38,212	38,261	36,283	57,899	41,114	41,114	40,999	39,861	41,594	46,103	32,413	470,815	466,484	499,225
	Remuneration of councillors		1,603	1,131	2,304	1,586	1,584	1,608	187	187	1,580	1,604	3,849	1,695	2,324	21,055	22,076	23,458
	Interest paid		4,932	3,742	4,203	4,320	4,182	4,202	4,259	4,259	3,802	4,696	3,901	4,326	3,705	50,312	56,347	53,785
	Bulk purchases - Electricity		-	58,328	94,945	39,345	42,870	64,985	47,867	47,867	25,953	35,486	42,799	38,447	(8,088)	484,938	589,715	633,450
	Bulk purchases - Water & Sewer		5,685	5,685	5,685	5,685	5,685	5,685	5,685	5,685	5,685	5,685	5,685	5,685	5,685	68,224	68,224	68,224
	Other materials		175	238	220	689	285	384	1,273	99	232	232	72	380	(504)	3,543	3,745	3,932
	Contracted services		9,433	150	4,365	3,209	2,137	3,724	3,145	3,145	2,147	5,910	642	3,368	602	38,832	53,355	55,313
	Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Grants and subsidies paid - other		58,433	54,472	28,890	13,103	8,800	61,202	45,611	45,611	20,720	16,795	19,226	23,716	(15,165)	335,804	322,720	333,292
	General expenses		108,927	153,157	178,824	106,198	101,826	199,690	149,183	149,183	100,986	110,270	117,768	123,721	22,972	1,473,524	1,598,863	1,602,455
	Cash Payments by Type		114,352	177,899	188,821	112,787	122,080	248,852	154,244	149,736	109,736	131,994	132,044	140,587	88,806	1,722,011	1,820,731	1,866,345
	Other Cash Flows/Payments by Type																	
	Capital assets		5,425	24,742	9,997	6,589	20,254	18,619	9,352	9,352	8,750	21,723	14,276	16,875	62,510	219,112	184,662	222,540
	Repayment of borrowing		-	-	-	-	-	30,543	(4,291)	(4,291)	-	-	-	-	3,123	29,375	37,206	41,351
	Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Cash Payments by Type		114,352	177,899	188,821	112,787	122,080	248,852	154,244	149,736	109,736	131,994	132,044	140,587	88,806	1,722,011	1,820,731	1,866,345
	NET INCREASE/(DECREASE) IN CASH HELD		15,470	(8,016)	(62,601)	73,857	5,321	9,337	(45,389)	(45,389)	(13,935)	72,317	(40,847)	(10,963)	(9,962)	(15,417)	(74,112)	9,962
	Cash/cash equivalents at the month/year beginning:		44,573	60,043	52,027	(10,574)	63,282	68,603	77,940	77,940	32,551	18,616	90,933	50,086	39,123	44,573	29,156	(44,956)
	Cash/cash equivalents at the month/year end:		60,043	52,027	(10,574)	63,282	68,603	77,940	32,551	32,551	18,616	90,933	50,086	39,123	29,156	29,156	(44,956)	(34,994)

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M11 May

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue By Source										
Property rates		214,714	256,072	262,901	22,047	243,443	240,992	2,451	1%	265,575
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		638,731	712,968	689,824	53,094	614,403	632,339	(17,936)	-3%	670,810
Service charges - water revenue		144,962	184,732	161,470	12,779	145,830	148,014	(2,185)	-1%	159,087
Service charges - sanitation revenue		76,454	102,873	102,873	8,370	92,738	94,300	(1,562)	-2%	101,169
Service charges - refuse revenue		54,603	83,421	83,421	6,907	75,601	76,469	(868)	-1%	82,474
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		7,918	7,326	7,326	613	6,690	6,716	(26)	0%	7,282
Interest earned - external investments		12,517	4,000	4,001	186	2,341	3,667	(1,327)	-36%	2,553
Interest earned - outstanding debtors		7,156	6,099	11,750	832	10,153	10,771	(619)	-6%	11,076
Dividends received		-	-	-	-	-	-	-	-	-
Fines		5,206	7,660	5,203	469	3,105	4,770	(1,665)	-35%	3,387
Licences and permits		-	12	12	2	11	11	(1)	-6%	11
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		467,502	325,438	331,488	15,777	460,197	460,197	-	-	331,488
Other revenue		16,522	19,072	16,123	2,192	13,129	14,780	(1,651)	-11%	13,785
Gains on disposal of PPE		770	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,647,055	1,709,674	1,676,393	123,268	1,667,639	1,693,026	(25,388)	-1%	1,648,698
Expenditure By Type										
Employee related costs		489,601	476,620	470,815	42,414	440,331	431,581	8,751	2%	485,111
Remuneration of councillors		18,453	21,023	21,055	1,577	17,335	19,300	(1,965)	-10%	14,107
Debt impairment		542,783	61,007	88,256	4,752	27,701	80,901	(53,200)	-66%	30,220
Depreciation & asset impairment		456,741	330,121	369,587	36,866	375,603	338,788	36,815	11%	409,749
Finance charges		66,141	61,899	50,312	4,330	46,614	46,119	494	1%	50,852
Bulk purchases		513,530	577,973	553,162	77,107	500,013	507,065	(7,053)	-1%	545,468
Other materials		2,438	3,061	3,543	252	2,769	3,248	(479)	-15%	3,021
Contracted services		84,691	52,490	38,832	3,368	38,230	35,596	2,634	7%	41,705
Transfers and grants		90,764	96,098	100,964	12,904	96,681	92,550	4,131	4%	87,513
Other expenditure		269,804	275,438	262,295	19,808	228,919	240,437	(11,518)	-5%	267,741
Loss on disposal of PPE		3,472	-	-	-	-	-	-	-	-
Total Expenditure		2,538,418	1,955,731	1,958,821	203,378	1,774,196	1,795,586	(21,390)	-1%	1,935,487
Surplus/(Deficit)		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(891,364)	(246,057)	(282,428)	(80,111)	(106,558)	(102,560)	(3,998)	4%	(286,789)

KZN252 Newcastle - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M11 May

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	3,762	22,972	22,972	5,425	5,425	22,972	17,547	76.4%	2%
August	12,575	22,972	22,972	24,742	30,167	45,944	15,777	34.3%	11%
September	26,961	22,972	22,972	9,997	40,164	68,916	28,752	41.7%	15%
October	25,500	22,972	22,972	6,589	46,752	91,888	45,136	49.1%	17%
November	30,129	22,972	22,972	20,254	67,006	114,860	47,854	41.7%	24%
December	45,724	22,972	20,818	18,619	85,625	135,678	50,053	36.9%	31%
January	18,503	22,972	20,818	11,502	97,127	156,496	59,369	37.9%	35%
February	15,855	22,972	20,818	12,094	109,221	177,314	68,093	38.4%	40%
March	16,595	22,972	21,669	7,186	116,408	198,983	82,575	41.5%	42%
April	25,071	22,972	21,669	9,042	125,450	220,652	95,202	43.1%	0
May	25,666	22,972	21,669	31,151	156,601	242,321	85,720	35.4%	0
June	46,954	22,972	21,669			263,990	-		
Total Capital expenditure	293,295	275,664	263,990	156,601					

KZN252 Newcastle - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	151,808	130,219	9,679	90,802	119,367	28,566	23.9%	99,056
Infrastructure - Road transport		-	74,156	45,092	9,679	78,813	41,334	(37,479)	-90.7%	85,978
Roads, Pavements & Bridges		-	74,156	45,092	9,679	78,813	41,334	(37,479)	-90.7%	85,978
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	32,865	14,467	-	1,059	13,261	12,202	92.0%	1,155
Generation		-	5,665	-	-	-	-	-	-	-
Transmission & Reticulation		-	22,200	9,467	-	1,059	8,678	7,619	87.8%	1,155
Street Lighting		-	5,000	5,000	-	-	4,583	4,583	100.0%	-
Infrastructure - Water		-	26,475	52,192	-	93	47,842	47,749	99.8%	101
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	26,475	52,192	-	93	47,842	47,749	99.8%	101
Infrastructure - Sanitation		-	17,312	17,000	-	10,235	15,583	5,348	34.3%	11,166
Reticulation		-	9,112	17,000	-	10,235	15,583	5,348	34.3%	11,166
Sewerage purification		-	8,200	-	-	-	-	-	-	-
Infrastructure - Other		-	1,000	1,469	-	602	1,347	745	55.3%	656
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	1,000	1,469	-	602	1,347	745	55.3%	656
Community		-	750	6,115	633	1,411	5,605	4,194	74.8%	1,540
Parks & gardens		-	-	1,800	394	767	1,650	883	53.5%	836
Sportsfields & stadia		-	750	1,000	239	597	917	320	34.9%	651
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	3,153	-	-	2,890	2,890	100.0%	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	162	-	48	149	101	67.7%	52
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	33,165	36,445	113	1,074	33,407	32,333	96.8%	1,172
General vehicles		-	-	-	-	602	-	(602)	#DIV/0!	656
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	8,115	1,510	-	358	1,384	1,026	74.1%	391
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	600	1,067	113	115	996	882	88.5%	125
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	22,000	31,662	-	-	29,024	29,024	100.0%	-
Other Buildings		-	-	1,045	-	-	958	958	100.0%	-
Other Land		-	2,450	1,141	-	-	1,046	1,046	100.0%	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	2,400	3,024	-	32	2,772	2,740	98.8%	35
Computers - software & programming		-	2,400	3,024	-	32	2,772	2,740	98.8%	35
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	-	188,123	175,802	10,426	93,320	161,152	67,833	42.1%	101,803

Total Capital Expenditure on renewal of existing assets	1	297,936	87,544	88,188	7,947	63,282	80,839	17,557	21.7%	69,035
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Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

References

1. Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) must reconcile to total capital expenditure in Table C5

check balance	-	0	0	0	-0	0				-0
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KZN252 Newcastle - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M11 May

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	54,069	28,020	667	28,293	25,685	(2,608)	-10.2%	30,865
Infrastructure - Road transport		-	35,655	881	-	639	808	169	20.9%	697
Roads, Pavements & Bridges		-	35,655	881	-	639	808	169	20.9%	697
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	116	2,320	244	10,356	2,127	(8,229)	-387.0%	11,297
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	116	2,320	244	10,356	2,127	(8,229)	-387.0%	11,297
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	13,737	11,019	422	10,146	10,101	(45)	-0.4%	11,069
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	13,737	11,019	422	10,146	10,101	(45)	-0.4%	11,069
Infrastructure - Sanitation		-	-	12,890	-	6,867	11,815	4,948	41.9%	7,492
Reticulation		-	-	12,855	-	6,867	11,784	4,917	41.7%	7,492
Sewerage purification		-	-	34	-	-	31	31	100.0%	-
Infrastructure - Other		-	4,561	910	1	285	834	549	65.8%	311
Waste Management		-	184	67	-	-	62	62	100.0%	-
Transportation		-	-	-	-	127	-	(127)	#DIV/0!	138
Gas		-	-	-	-	-	-	-	-	-
Other		-	4,377	843	1	158	772	614	79.5%	172
Community		-	5,050	15,458	196	2,115	14,171	12,056	85.1%	2,307
Parks & gardens		-	43	1,218	118	218	1,117	899	80.5%	238
Sportsfields & stadia		-	809	771	39	344	707	363	51.3%	375
Swimming pools		-	97	553	0	476	507	30	6.0%	520
Community halls		-	373	415	22	405	381	(24)	-6.4%	442
Libraries		-	918	529	10	401	485	84	17.4%	437
Recreational facilities		-	86	2,354	4	234	2,158	1,924	89.1%	255
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	404	9,580	2	33	8,782	8,749	99.6%	36
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	2,321	38	-	3	34	32	91.5%	3
Heritage assets		-	-	-	16	27	-	(27)	#DIV/0!	-
Buildings		-	-	-	16	27	-	(27)	#DIV/0!	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	30,980	18,680	768	17,595	17,108	(487)	-2.8%	19,195
General vehicles		-	-	-	18	387	-	(387)	#DIV/0!	423
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	20,945	8,847	386	10,100	8,110	(1,991)	-24.5%	11,019
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	465	465	-	-	426	426	100.0%	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	9,569	9,188	364	7,108	8,422	1,315	15.6%	7,754
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	180	-	-	150	150	100.0%	-
Agricultural assets		-	-	43	-	-	39	39	100.0%	-
Heritage		-	-	43	-	-	39	39	100.0%	-

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May 2017

HEAD OFFICE									
Description	2015/16	Current Year 2016/17							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
								%	
R thousands									
Revenue By Source									
Service charges - water revenue	116,658	101,864	97,864	7,533	87,177	89,709	(2,532)	-2.8%	101,864
Service charges - sanitation revenue									
Service charges - other									
Rental of facilities and equipment	46			7	68	-	68	#DIV/0!	74
Interest earned - external investments	268	100	100	136	863	92	772	841.7%	942
Interest earned - outstanding debtors									
Agency services									
Transfers recognised - operational									
Other revenue	391	0	0	30	301	0	301	328265.6%	328
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)	117,363	101,964	97,964	7,705	88,409	89,800	(1,391)	-1.5%	103,208
Expenditure By Type									
Employee related costs	16,277	19,199	19,199	1,477	17,069	17,599	(530)	-3.0%	19,199
Remuneration of Directors									
Debt impairment	-	-	-	-	-	-	-		
Collection costs	-	-	-	-	-	-	-		
Depreciation & asset impairment	365	387	387	32	354	354	(0)	0.0%	387
Finance charges	1,183	1,585	1,585	113	1,248	1,453	(205)	-14.1%	1,585
Bulk purchases	-	-	-	-	-	-	-		
Other materials	47	183	183	5	61	168	(107)	-63.5%	183
Contracted services	-	-	-	-	-	-	-		
Transfers and grants	-	-	-	-	-	-	-		
Repairs and maintenance	7,707	8,448	8,448	590	7,373	7,744	(371)	-4.8%	8,448
Other expenditure	2,189	3,233	3,233	111	1,702	2,963	(1,261)	-42.6%	3,233
Loss on disposal of PPE									
Total Expenditure	27,768	33,035	33,035	2,329	27,808	30,282	(2,474)	-8.2%	33,035
Surplus/(Deficit)	89,595	68,929		5,376	60,601	59,518	1,083	1.8%	70,173
Transfers recognised - capital									
Contributions to staff leave reserve fund	0	157	157	13	144	144	0	0.0%	157
Contributions of PPE									
Recharge									
Head Office Recharge	27,822	33,192	33,192	(2,364)	(27,952)	30,426	(58,379)	-191.9%	33,192
Surplus/(Deficit) for the year	61,773	35,579	(33,350)	7,727	88,409	28,948	59,462		36,824

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May 2017

NEWCASTLE LOCAL MUNICIPALITY									
Description	2015/16	Current Year 2016/17							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Service charges - water revenue							-		
Service charges - sanitation revenue							-		
Service charges - other							-		
Rental of facilities and equipment							-		
Interest earned - external investments							-		
Interest earned - outstanding debtors							-		
Agency services							-		
Transfers recognised - operational							-		
Other revenue							-		
Gains on disposal of PPE							-		
Total Revenue (excluding capital transfers and contributions)	-	-	-	-	-	-	-		-
Expenditure By Type									
Employee related costs	7,362	10,223	10,223	778	8,756	9,371	(615)	-6.6%	10,223
Remuneration of Directors	-	-	-	-	-	-	-		-
Debt impairment	-	-	-	-	-	-	-		-
Collection costs	-	-	-	-	-	-	-		-
Depreciation & asset impairment	-	498	498	41	456	456	0	0.0%	498
Finance charges	-	105	105	-	-	97	(97)	-100.0%	105
Bulk purchases	27,304	19,611	19,611	1,634	17,977	17,977	0	0.0%	19,611
Other materials	6,661	6,946	5,946	174	3,890	5,451	(1,561)	-28.6%	5,946
Contracted services	-	-	-	-	-	-	-		-
Transfers and grants	-	-	-	-	-	-	-		-
Repairs and maintenance	25,483	33,898	30,898	1,859	20,823	28,323	(7,501)	-26.5%	30,898
Other expenditure	71	165	165	23	212	152	60	39.6%	165
Loss on disposal of PPE	-	-	-	-	-	-	-		-
Total Expenditure	66,880	71,447	67,447	4,509	52,113	61,826	(9,713)	-15.7%	67,447
Surplus/(Deficit)	(66,880)	(71,447)	(67,447)	(4,509)	(52,113)	(61,826)	9,713	-15.7%	(67,447)
Transfers recognised - capital							-		
Contributions to staff leave reserve fund	124	62	62	5	57	57	(0)	0.0%	62
Contributions of PPE							-		
Recharge									
Head Office Recharge	26,419	24,361	24,361	1,735	20,515	22,331	(1,816)	-8.1%	24,361
Surplus/(Deficit) for the year	(93,423)	(95,870)	(91,870)	(6,250)	(72,685)	(84,214)	11,529		(91,870)

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May 2017

uTHUKELA WATER (PTY) LTD									
Description	2015/16	Current Year 2016/17							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
Revenue By Source									
Service charges - water revenue	116,658	101,864	97,864	7,533	87,177	89,709	(2,532)	-2.8%	101,864
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	46	-	-	7	68	-	68		74
Interest earned - external investments	268	100	100	136	863	92	772	841.7%	942
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other revenue	391	0	0	30	301	0	301		328
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	117,363	101,964	97,964	7,705	88,409	89,800	(1,391)	-1.5%	103,208
Expenditure By Type									
Employee related costs	28,419	35,335	35,335	2,660	30,300	32,391	(2,091)	-6.5%	35,335
Remuneration of Directors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Collection costs	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	599	1,133	1,133	94	1,039	1,039	0	0.0%	1,133
Finance charges	1,183	1,731	1,731	113	1,248	1,586	(338)	-21.3%	1,731
Bulk purchases	28,822	21,280	21,280	1,773	19,507	19,507	(0)	0.0%	21,280
Other materials	7,785	9,415	8,415	180	4,738	7,714	(2,976)	-38.6%	8,415
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Repairs and maintenance	41,463	54,397	51,397	3,581	35,007	47,114	(12,107)	-25.7%	51,397
Other expenditure	2,337	3,515	3,515	143	2,061	3,222	(1,162)	-36.1%	3,515
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	110,610	126,807	122,807	8,545	93,900	112,573	(18,674)	-16.6%	122,807
Surplus/(Deficit)	6,753	(24,843)	(24,843)	(840)	(5,490)	(22,773)	17,283	-75.9%	(19,599)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions to staff leave reserve fund	134	256	256	21	234	234	0	0.0%	256
Contributions of PPE	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	6,619	(25,099)	(24,588)	(861)	(5,725)	(23,007)	17,283	-75.1%	(19,855)

Annual Financial Statements

uThukela Water (Pty) Ltd

For the year ended 30 June 2016

Province: Kwazulu Natal

AFS rounding: SA Rand only, no cents.

Contact Information

Acting Managing Director: Luiz Lionel Cunha

Acting Chief Financial Officer: Luiz Lionel Cunha

Telephone Number: 034 328 5000

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Chairman of the Board: Poovalingum Subramoney Naidoo

Telephone Number: 031 719 7454

Email Address: dan.naidoo@umgeniwater.co.za

Auditor General Contact: Lungisile Khumalo (CA) SA

Telephone: 033 264 7400

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General Information

Legal form of business

uThukela Water (Pty) Ltd is a Water Service Provider appointed by the Shareholding municipalities of Newcastle, Umzinyathi and Amajuba Districts, in terms of section 78 of the Municipal Systems Act 32/2000, to provide Bulk water services to these municipalities. The Provincial Cabinet, in a decision dated 6 June 2012, resolved that the entity continue as a Bulk water services provider to the municipalities concerned, until such time that the National Minister for water affairs has determined a way forward with regard to the future provision of bulk water services in the area, and or regions.

The entity operates solely as a Bulk water services provider to its controlling Shareholders, and performs no other functions outside the scope of the draft agreement between the parties.

The entity is governed by the provisions of the Companies Act 71/2008, Municipal Finance Management Act 56/2003, Municipal Systems Act 32/2000, Water services Act 108/1997 and the Public Audit Service Act 25/2004.

Members of the Board

Mr. PS Naidoo (Chairman of the Board)

Mrs. HB Krishnan (COGTA representative), replaced by Mr. B. Ndlovu, the CFO of COGTA with effect from 15 December 2015.

Mr. A Evetts (COGTA representative)

Mr. M Msiwa (Independent non-executive Director)

Mrs. A Masefield (Department of Water and Sanitation representative)

Three Municipal Managers of the Shareholders.

Auditors: Auditor General

Bankers: Standard Bank of South Africa

Registered Office: 79 Harding Street, Newcastle

Physical Address: 79 Harding Street, Newcastle

Postal Address: P O Box 729, Newcastle 2940

Telephone Number: 034 3285000

Fax Number: 034 3263388

Email Address: luiz.cunha@uthukelawater.co.za

DIRECTORS REPORT

In terms of the Companies Act, 71/2008, as amended, and, read with the Municipal Systems Act 32/2000, as amended, the Board of uThukela Water (Pty) Ltd is the accounting authority and the Directors have pleasure in presenting their report for the year ended 30 June 2016.

Nature of business

uThukela Water (Pty) Ltd, is a multijurisdictional water entity, originally established in 2003 to provide the whole spectrum of water and sanitation services, and then subsequently with effect from the 2013 financial year was re-constituted to supply only potable bulk water to its parent municipalities. The activities of uThukela Water are in line with the provisions of the Water Act, Act 108/1997.

The primary activities in terms of section 29 of the Act are:

- (a) To treat raw water and to distribute the treated water via its infrastructure to its Shareholder municipalities.
- (b) To provide Bulk water quality assurance to its Shareholders via its Laboratory analyses and measurement in terms of National Water Standards.

In terms of section 30 of the Act, uThukela Water (Pty) Ltd also engages in other services that complement bulk water services such as laboratory services, water quality monitoring and environmental management within the water reticulation systems of the Shareholders, and also acts as an implementing agent for any sphere of government for projects related to water service delivery.

The services are provided on behalf of the following parent municipalities who are also the Water Service Authorities for their respective jurisdictions:

Amajuba District Municipality
Newcastle Municipality
Umzinyathi District Municipality

Compliance with legislation

The annual financial statements are prepared in accordance with the South African Statements of Generally Accepted Accounting Practice (GAAP) including any interpretations of such accounts issued by the Accounting Practices Board, with the effective standards of Generally Recognized Accounting Practices (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP statements as indicated in the accounting policies of the Board. The requirements of the following relevant statutes were also taken into account when preparing the annual financial statements:

- (a) Water Services Act 108/1997,
- (b) Municipal Finance Management Act 56/2003,

- (c) Municipal Systems Act 32/2000,
- (d) Companies Act 71/2008 and
- (e) Public Audit Service Act 25/2004.

These acts require preparation of the financial information to be in compliance with the Companies Act 71/2008, as amended.

Corporate governance and risk management

The Board supports the principles of the code of Corporate Practices and Conduct as set out in the King III report. The organizations policies, procedures and processes are continuously reviewed to align with King III and the Board provides the required oversight and is pleased with the commitment that prevails at all spheres of the organization in as far as compliance with King III is concerned.

The Board is responsible for monitoring the risk management process.

Share capital and Director's interests

The share capital of the Company has been issued in one hundred (100) ordinary shares, and is valued at R100.

The authorized number of ordinary shares is 10 000, with a par value of R 1 per share.

The parent municipalities (Water Service Authorities) are the sole shareholders of the Company, and their individual shareholding is as follows;

Amajuba District Municipality; 33%

Newcastle Municipality; 34%

Umzinyathi District Municipality; 33%

The details of the shares, and share certificates, are recorded in the Register of Shareholders of the Company, in terms of the provisions of the Companies Act 71/2008, as amended.

The MEC responsible for Co-operative Governance and Traditional Affairs, The Honourable N Dube, on the 18 June 2012, released a decision of the Provincial Executive Committee taken at a Cabinet meeting held on the 25 April 2012, wherein it was resolved that;

- (a) The section 139 (1) (b) of the Constitution of the RSA, Act 108/1996, intervention institute by the Provincial Executive was terminated with immediate effect, and that the Water Service Authorities would immediately resume and be accountable for water service functions previously assumed by the Provincial Executive of the Province of KZN together with the rights and obligations pertaining to uThukela Water (Pty) Ltd.



NEWCASTLE MUNICIPALITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE 11 MONTHS ENDED MAY 31, 2017**

Newcastle Municipality

Annual Financial Statements for the 11 months ended May 31, 2017

Statement of Financial Position as at May 31, 2017

Figures in Rand	Note(s)	31 May 2017	30 June 2016
Assets			
Current Assets			
Inventories		14,277,573	13,380,566
Other financial assets		5,978	7,922
Receivables from exchange transactions		37,058,641	31,698,628
Receivables from non-exchange transactions		12,329,065	11,139,662
VAT receivable		306,384	10,753,011
Consumer debtors from exchange transactions		484,189,392	395,096,860
Consumer debtors from non-exchange transactions		-	-
Cash and cash equivalents		33,610,057	44,572,895
		581,777,090	506,649,544
Non-Current Assets			
Investment property		275,974,000	275,974,000
Property, plant and equipment		7,061,640,732	7,275,444,252
Intangible assets		6,684,832	8,539,564
Heritage assets		6,326,820	6,326,820
Investments in associates		342,383,219	342,383,219
		7,693,009,603	7,908,667,855
Non-Current Assets		7,693,009,603	7,908,667,855
Current Assets		581,777,090	506,649,544
Total Assets		8,274,786,693	8,415,317,399
Liabilities			
Current Liabilities			
Financial liabilities		13,431,508	29,375,168
Finance lease obligation		5,253	65,694
Payables from exchange transactions		262,339,687	359,510,386
Consumer deposits		13,973,147	12,752,606
Unspent conditional grants and receipts		107,167,243	32,408,992
Defined benefits costs		5,775,189	5,775,189
		402,692,027	439,888,035
Non-Current Liabilities			
Financial liabilities		461,725,386	458,502,484
Finance lease obligation		25,920	25,920
Defined benefit costs		120,075,542	120,075,542
Provision for rehabilitation costs of landfill site		26,814,753	26,814,753
		608,641,601	605,418,699
Non-Current Liabilities		608,641,601	605,418,699
Current Liabilities		402,692,027	439,888,035
Total Liabilities		1,011,333,628	1,045,306,734
Assets		8,274,786,693	8,415,317,399
Liabilities		(1,011,333,628)	(1,045,306,734)
Net Assets		7,263,453,065	7,370,010,665

Newcastle Municipality

Annual Financial Statements for the 11 months ended May 31, 2017

Statement of Financial Position as at May 31, 2017

Figures in Rand	Note(s)	31 May 2017	30 June 2016
Reserves			
Housing Development fund		25,022,463	26,037,234
Self insurance reserve		525,860	708,555
Accumulated surplus		7,237,904,740	7,343,264,876
Total Net Assets		7,263,453,063	7,370,010,665

Newcastle Municipality

Annual Financial Statements for the 11 months ended May 31, 2017

Statement of Financial Performance

Figures in Rand	Note(s)	11 months ended 31 May 2017	12 months ended 30 June 2016
Revenue			
Service charges		864,864,284	914,750,787
Rental of facilities and equipment		6,689,947	7,918,136
Profit on sale of Assets		-	769,797
Sundry revenue		2,927,188	9,862,557
Other income		1,227,201	1,397,723
Fee income		7,238,328	5,261,709
Interest received		14,240,048	19,673,326
Property Rates		212,615,850	214,713,798
Government grants & subsidies		460,196,503	467,501,529
Fines		3,104,694	5,205,647
Total revenue		<u>1,573,104,043</u>	<u>1,647,055,009</u>
Expenditure			
Employee costs		457,666,303	489,601,018
Remuneration of councillors		-	18,453,108
Depreciation and amortisation		375,603,794	456,740,714
Impairment of assets		327,157	2,590,041
Finance costs		46,613,936	66,141,054
Debt Impairment		27,701,313	542,782,561
Collection costs		8,802,170	19,792,327
Repairs and maintenance		50,566,804	112,986,512
Bulk purchases		500,012,672	513,530,461
Contracted services		38,229,883	84,691,042
General Expenses		174,137,611	257,574,117
Loss on Actuarial valuations		-	3,472,031
Total expenditure		<u>1,679,661,643</u>	<u>2,568,354,986</u>
Total revenue		1,573,104,043	1,647,055,009
Total expenditure		(1,679,661,643)	(2,568,354,986)
Operating deficit		<u>(106,557,600)</u>	<u>(921,299,977)</u>
Share of deficit in investment in associates		-	(38,810,359)
Fair value adjustments to investment property		-	68,746,810
		<u>-</u>	<u>29,936,451</u>
Operating surplus/deficit		-	29,936,451
Deficit before taxation		(106,557,600)	(891,363,526)
Taxation		-	-
Deficit for the 11 months		<u>(106,557,600)</u>	<u>(891,363,526)</u>

Newcastle Municipality

Annual Financial Statements for the 11 months ended May 31, 2017

Statement of Changes in Net Assets

Figures in Rand	Housing Development Fund	Insurance reserve	Total reserves	Accumulated surplus	Total net assets
Balance at July 1, 2015	22,413,837	7,471,767	29,885,604	8,220,512,442	8,250,398,046
Changes in net assets					
Deficit for the year	-	-	-	(891,363,526)	(891,363,526)
Adjustment on Investment in associate	-	-	-	(3,938,111)	(3,938,111)
Transfer to housing development fund	3,623,397	-	3,623,397	5,307,684	8,931,081
Transfer from self insurance reserves	-	(6,763,212)	(6,763,212)	6,741,712	(21,500)
Movement in the current year	-	-	-	6,004,675	6,004,675
Total changes	<u>3,623,397</u>	<u>(6,763,212)</u>	<u>(3,139,815)</u>	<u>(877,247,566)</u>	<u>(880,387,381)</u>
Restated Balance at July 1, 2016	26,037,234	708,555	26,745,789	7,343,264,874	7,370,010,663
Deficit for the year	-	-	-	(106,557,600)	(106,557,600)
Transfer to housing development fund	(1,014,771)	-	(1,014,771)	1,014,771	-
Transfer from self insurance reserves	-	(182,695)	(182,695)	182,695	-
Total changes	<u>(1,014,771)</u>	<u>(182,695)</u>	<u>(1,197,466)</u>	<u>(105,360,134)</u>	<u>(106,557,600)</u>
Balance at May 31, 2017	25,022,463	525,860	25,548,323	7,237,904,740	7,263,453,063

Newcastle Municipality

Annual Financial Statements for the 11 months ended May 31, 2017

Cash Flow Statement

Figures in Rand	Note(s)	11 months ended 31 May 2017	12 months ended 30 June 2016
Cash flows from operating activities			
Receipts			
Sale of goods and services		1,009,574,961	970,237,523
Grants		529,689,485	464,077,142
Interest income		14,240,048	19,673,326
		<u>1,553,504,494</u>	<u>1,453,987,991</u>
Payments			
Employee costs		(457,666,303)	(508,054,126)
Suppliers		(890,777,901)	(855,626,270)
Finance costs		(46,613,936)	(66,141,054)
		<u>(1,395,058,140)</u>	<u>(1,429,821,450)</u>
Total receipts		1,553,504,494	1,453,987,991
Total payments		(1,395,058,140)	(1,429,821,450)
Net cash flows from operating activities		<u>158,446,354</u>	<u>24,166,541</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(156,601,403)	(306,804,404)
Proceeds from sale of property, plant and equipment		-	1,117,822
Proceeds from sale of Investment property		-	570,176
Purchase of other intangible assets		(26,590)	(3,592,320)
Purchases of Heritage Assets		-	(41,600)
		<u>(156,627,993)</u>	<u>(308,750,326)</u>
Net cash flows from investing activities		<u>(156,627,993)</u>	<u>(308,750,326)</u>
Cash flows from financing activities			
Net movements in long term loans		(12,720,758)	(11,361,825)
Movement on finance lease		(60,441)	(294,419)
		<u>(12,781,199)</u>	<u>(11,656,244)</u>
Net cash flows from financing activities		<u>(12,781,199)</u>	<u>(11,656,244)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(10,962,838)</u>	<u>(296,240,029)</u>
Cash and cash equivalents at the beginning of the year		44,572,895	340,812,924
Cash and cash equivalents at the end of the year		<u>33,610,057</u>	<u>44,572,895</u>

Number	Vote number	Description	Opening balance	Receipts	Expenditures for MAY 2017	Adjustments	Total Expenditure before Vat	VAT FOR THE MONTH	Total Vat Amount	Total Expenditure after Vat	Closing balance
1	03095200101	Environmental Management Framework	(502,871.43)								(602,871.43)
2	03095200701	Cleanest town	(823,875.11)								(823,875.11)
3	03095204301	Electrification Grant	(18,817.69)	(6,000,000.00)	466,177.37		5,288,436.24	65,284.84	724,034.07	6,012,471.51	(1,907,628.70)
4	03095201501	Newcastle library internet project	(0.00)	(179,000.00)			165,817.69			105,817.69	
5	03095200201	Expanded Phovoke initiative	(677,388.82)	(3,173,000.00)	172,204.36		2,719,554.36			2,719,554.36	(455,445.64)
6	03095200401	Municipal Systems Improvement Grant				878,000.00					(231,335.14)
7	03095200501	Financial Management Grant (FMG)		(1,825,000.00)	40,410.10		1,991,720.86		1,945.00	1,993,665.86	615.18
8	03095200651	Grant SKM Development	(6,789,815.54)								(3,789,815.54)
9	03095201301	Madams library internet project	(23,811.18)	(179,000.00)	10,735.56		202,811.18		134,051.70	1,091,563.61	(11,393.39)
10	03095202101	Incense fresh produce	(1,102,817.20)				987,812.11			106,533.30	(7,754.58)
11	03095202301	Osaweni library internet project	(25,287.98)	(179,000.00)	19,553.53		166,533.30				
12	03095204401	Repair construction storm damage HS	(1,218,040.83)			1,218,040.83					
13	03095207001	MIG			2,202,503.17						
14	03095208201	Osaweni Arts Centre	0.00	(109,214,000.00)			65,737,247.62	308,406.44	9,558,420.37	75,995,667.98	(33,818,332.61)
15	03095209301	Corridor Development	(86,920.00)								(86,920.00)
16	03095209301	JRC Housing Project	(135,244.37)	(6,798,484.71)			6,112,046.36		1,221,602.72	8,933,720.08	(38,226.00)
17	03095201001	PROVINCIALISATION ALL LIBRARIES	(1,954,887.00)			1,954,887.00					
18	03095201001	CARNEGIE ART GALLERY	(7,287,745.98)		555,507.27		4,109,053.84	11,988.78	262,701.53	4,372,355.17	(24,045,392.79)
19	03095201871	FORT AMIEL MUSEUM	(647,633.27)	(44,700.00)							(692,333.27)
20	03095201891	CAPACITY BUILDING HOUSING	(10,773.83)	(289,250.00)	182,919.80		3,751,400.52		153,659.57	3,905,060.00	(8,779,009.80)
21	03095201901	NEWCASTLE AIRPORT	(389,207.18)				82,140.00		11,409.60	93,638.60	(272,567.58)
22	03095202401	Neighbouring Development Partnership Grant		(28,323,000.00)	442,408.72		10,411,701.00			11,854,131.68	(18,388,868.34)
23	03095202401	MUNICIPAL WATER INFRA GRANT		(40,613,000.00)	2,360,887.40		26,535,976.58	222,584.24	3,598,256.73	29,834,233.31	(10,678,766.69)
24	03095202301	Fire outbreak section E	(1,093,884.90)			(3,172,927.83)					(4,266,812.79)
		TOTAL	-32,408,992.20	-222,737,464.71		678,000.00	123,852,848.36	740,081.24	17,208,683.65	147,301,236.31	(107,187,241.89)

PREPARED BY:

C HARIPARSAD
GENERAL ACCOUNTANT & ADMIN SERVICES

REVIEWED BY:

SP HLATSHWAYO
ACTING MANAGER: FINANCIAL REPORTING

REVIEWED BY:

MS NDLOVU
DIRECTOR: BUDGET & FINANCIAL REFORMS

AUTHORIZED BY:

SM. NKOSI
ACTING STRATEGIC EXECUTIVE DIRECTOR: BUDGET & TREASURY OFFICE



EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630



CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS: 35328

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
SECURITY HELD	1.16
BILLING DATE	2017-06-02
TAX INVOICE NO	557888082146
ACCOUNT MONTH	MAY 2017
CURRENT DUE DATE	2017-06-15
VAT REG NO	4000791824

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

DIRECT DEPOSIT DETAIL	
BANK:	First National Bank
BRANCH CODE:	223626
BANK ACC NO:	50850143295

TAX INVOICE

E-MAIL: cletric@newcastle.gov.za

ACCOUNT TRANSACTION SUMMARY			
ADMINISTRATION CHARGE		R	3,432.63
TRANSMISSION NETWORK CAPACITY		R	1,091,250.00
URBAN LOW VOLTAGE SUBSIDY		R	1,555,000.00
ANCILLARY SERVICE (ALL)		R	190,792.68
ENERGY CHARGE (PEAK)	9,849,415.00	R	7,884,537.00
ENERGY CHARGE (OFF)	27,237,349.00	R	9,718,286.12
ENERGY CHARGE (STD)	24,859,262.00	R	13,868,368.95
ELECTRIFICATION AND RURAL SUBS (ALL)		R	4,240,521.12
SERVICE CHARGE		R	107,482.58
TOTAL CHARGES FOR BILLING PERIOD		R	38,659,671.08
ACCOUNT SUMMARY FOR MAY 2017			
BALANCE BROUGHT FORWARD	(Due Date 2017-05-15)	R	38,485,490.88
PAYMENT(S) RECEIVED	Direct Deposit - 2017-05-16	R	-30,000,000.00
PAYMENT(S) RECEIVED	Direct Deposit - 2017-05-31	R	-8,488,548.64
INTEREST ON OVERDUE ACCOUNT		R	36,034.28
TOTAL CHARGES FOR BILLING PERIOD		R	38,659,671.08
VAT RAISED ON ITEMS AT 14%		R	5,412,353.95

ARREARS						
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT		
0.00	0.00	0.00	0.00	44,105,001.35	TOTAL DUE R	44,105,001.35

ACCOUNT NO / REFERENCE NO
5578885631

NAME
NEWCASTLE MUNICIPALITY

FAX NUMBER
0343129697

0934 5578885631

COPY ONLY

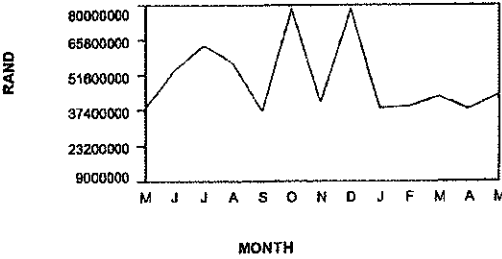
11341 5578885631

9207 0557 8885 6313

TOTAL AMOUNT DUE
44,105,001.35

PAYMENT ARRANGEMENT	
INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2017-06-15
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT



PAGE RUN NO	EP 1
BILL GROUP	
BILL PAGE	1 OF 2



EASTERN REGION
PRIVATE BAG X18 WESTVILLE 3630

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
BILLING DATE	2017-06-02
TAX INVOICE NO	557888082146
ACCOUNT MONTH	MAY 2017
CURRENT DUE DATE	2017-06-15
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	125,000.00
UTILISED CAPACITY	125,000.00

CONSUMPTION DETAILS (2017-05-01 - 2017-05-31)

ENERGY CONSUMPTION OFF PEAK KWH	27,237,349.00
ENERGY CONSUMPTION STD KWH	24,659,261.60
ENERGY CONSUMPTION PEAK KWH	9,649,414.80
ENERGY CONSUMPTION ALL KWH	61,546,025.40
DEMAND CONSUMPTION - OFF PEAK	112,346.75
DEMAND CONSUMPTION - STD	120,632.36
DEMAND CONSUMPTION - PEAK	110,747.08
DEMAND READING - KW/KVA	120,632.36
REACTIVE ENERGY - OFF PEAK	9,301,129.68
REACTIVE ENERGY - STD	8,341,475.60
REACTIVE ENERGY - PEAK	3,301,583.78
LOAD FACTOR	73.00

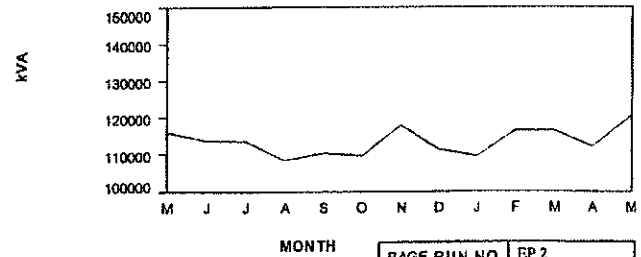
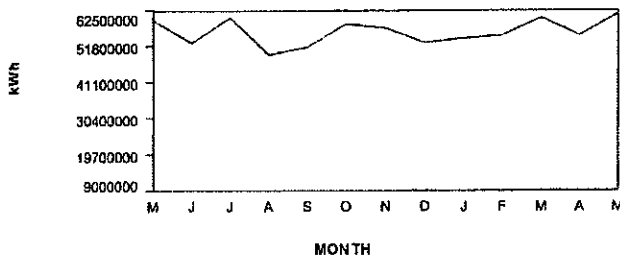
PREMISE ID NUMBER 5578885383 TARIFF NAME: Megaflex

INST 08881 BULK SUPPLY 1 NEWCASTLE CIVIC CENTRE 37 MURCHISON BULK SUPPLY TO NEWCASTLE MUNICIPALITY

Administration Charge @ R110.73 per day for 31 days	R	3,432.83
TX Network Capacity Charge 125,000 kVa @ R8.73 : = R8.73/kVA	R	1,091,250.00
Urban Low Voltage Subsidy 125,000 kVa @ R12.44 : = R12.44/kVA	R	1,555,000.00
Ancillary Service Charge 61,546,025 kWh @ R0.0031 /kWh	R	190,792.68
Low Season Peak Energy Charge 9,649,415 kWh @ R0.8171 /kWh	R	7,884,537.00
Low Season Off Peak Energy Charge 27,237,349 kWh @ R0.3568 /kWh	R	9,718,286.12
Low Season Standard Energy Charge 24,659,262 kWh @ R0.5524 /kWh	R	13,868,368.95
Electrification and Rural Subsidy 61,546,025 kWh @ R0.0689 /kWh	R	4,240,521.12

SERVICE CHARGE R 107,482.58

TOTAL CHARGES R **38,659,671.08**



PAGE RUN NO	EP 2
BILL GROUP	
BILL PAGE	2 OF 2



EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630



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SMS: 35328

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	6238370809
SECURITY HELD	1.16
BILLING DATE	2017-06-02
TAX INVOICE NO	623838278008
ACCOUNT MONTH	MAY 2017
CURRENT DUE DATE	2017-06-15
VAT REG NO	4000791824

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

DIRECT DEPOSIT DETAIL	
BANK:	First National Bank
BRANCH CODE:	223626
BANK ACC NO:	50850143295

TAX INVOICE

E-MAIL: electric@newcastle.gov.za

ACCOUNT TRANSACTION SUMMARY					
TOTAL CHARGES FOR BILLING PERIOD	R 0.00				
ACCOUNT SUMMARY FOR MAY 2017 (Due Date 2017-05-15)					
BALANCE BROUGHT FORWARD	R 3,058.04				
INTEREST ON OVERDUE ACCOUNT	R 32.46				
TOTAL CHARGES FOR BILLING PERIOD	R 0.00				
VAT RAISED ON ITEMS AT 14%	R 0.00				
ARREARS					
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE R
0.00	0.00	3,058.04	0.00	32.46	3,090.50
Account OVERDUE - Subject to Disconnection					

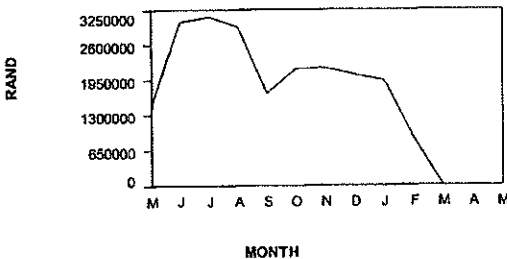
ACCOUNT NO / REFERENCE NO	6238370809
NAME	NEWCASTLE MUNICIPALITY
FAX NUMBER	0343129697
	0934 6238370809

COPY ONLY

11341 6238370809

9207 0623 8370 8097

TOTAL AMOUNT DUE
3,090.50



PAYMENT ARRANGEMENT	
INSTALMENT	0.00
ARREARS (Due Immediately)	3,058.04
DUE DATE (For Current Amount)	2017-06-15
AMOUNT PAID	

PAGE RUN NO	EP 3
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

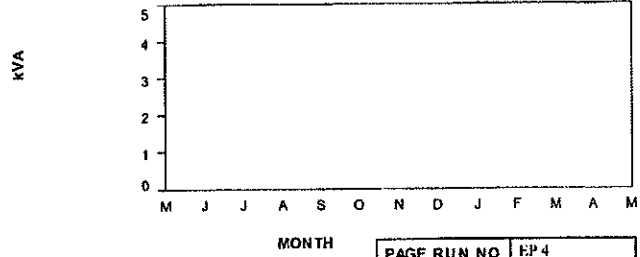
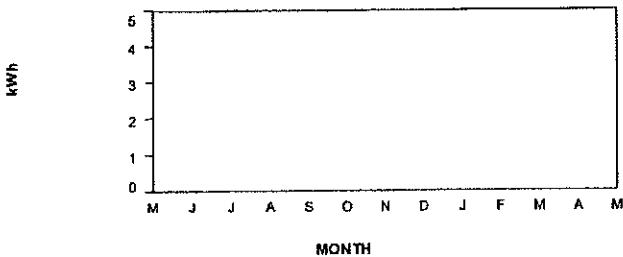
CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	6238370809
BILLING DATE	2017-06-02
TAX INVOICE NO	623838278008
ACCOUNT MONTH	MAY 2017
CURRENT DUE DATE	2017-06-15
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	0.00
UTILISED CAPACITY	

CONSUMPTION DETAILS (2017-05-01 - 2017-05-31)	
PREMISE ID NUMBER	9565479344
TARIFF NAME:	Generation Purchase Munic
NON ESKOM GENERATION PURCHASE SHORT TERM PPA	
TOTAL CHARGES	R 0.00

COPY ONLY



PAGE RUN NO	EP 4
BILL GROUP	
BILL PAGE	2 OF 2

Newcastle Municipality

Financial Reporting

VAT Reconciliation - May 2017

Opening Balance as at 1 July 2016			10,753,010.66
	VAT 201	Receipts/Payments	
Dec-15		(6,590,740.63)	4,162,270.03
July 2016		4,163,305.81	8,325,575.84
August 2016	3,176,100.35	(3,039,001.05)	8,462,675.14
September 2016	10,683,983.38	(9,251,699.24)	9,894,959.28
October 2016	370,009.47	(370,009.50)	9,894,959.25
November 2016	(5,922,131.71)	5,922,131.71	9,894,959.25
December 2016	(5,334,249.29)	5,334,249.29	9,894,959.25
January 2015	13,181,103.19	(13,048,431.69)	10,027,630.75
February 2016	(1,559,743.92)	1,559,743.92	10,027,630.75
March 2016	(1,616,666.04)	1,616,666.04	10,027,630.75
Jun-15		(8,325,574.75)	1,702,056.00
April 2016	4,293,044.41	(4,293,044.46)	1,702,055.95
May 2016	1,070,831.87	(1,070,831.83)	1,702,055.99
June 2016	(1,395,674.54)		306,381.45
General Ledger (030992001301) as at 31 May 2017			306,381.45
Balance as per SARS Statement as at 31 May 2017			1,395,674.54

Difference	1,702,055.99
Assessment: 201607	137,099.35
Assessment: 201608	53,384.64
Journal processed by SARS: 201608	1,345,974.72
Journal processed by SARS: 201608	32,924.77
Assessment: 201612	132,671.45
TOTAL	1,702,054.93
Rounding Off	1.06

Preparer:
C Hariparsad

Reviewer:
S.P Hlatshwayo

Reviewer:
M.S Ndlovu

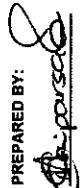
Authorized by:
S.M Nkosi


SUMMARY OF LOAN REGISTER FOR MAY 2017


Account number	Interest Rate	LOAN AMOUNT	Opening balance as at 01.07.2016	Opening balance as at 01.05.2017	Total Capital Payments	Disbursement	Interest Capitalised to Date	Interest Capitalised for the month	Interest Paid as per Repayment Advice	Balance
Loan Account: 61000536	9.37%	24,285,650.00	12,491,841.08	11,843,171.04	1,003,792.42	0.00	1,036,598.19	91,422.84	580,052.97	11,934,593.88
Loan Account: 61000654	9.10%	25,993,166.00	16,430,985.25	14,262,430.68	1,909,926.97	0.00	1,270,552.57	109,412.65	1,419,767.52	14,371,843.33
Loan Account: 61000824	11.84%	3,200,000.00	330,574.86	0.00	321,251.89	0.00	9,425.26	0.00	18,748.08	648,441.04
Loan Account: 61000825	11.45%	2,750,000.00	1,034,021.32	642,253.57	389,057.20	0.00	88,352.21	6,187.47	104,875.29	6,532,503.52
Loan Account: 61000826	11.29%	12,750,000.00	7,250,553.45	6,471,024.85	640,525.03	0.00	701,176.07	61,478.67	778,700.97	1,635,522.13
Loan Account: 61000827	11.25%	1,975,000.00	1,718,355.03	1,620,183.43	66,135.85	0.00	169,551.74	15,338.70	186,250.69	24,926.03
Loan Account: 61000918	9.72%	960,000.00	194,945.08	25,189.46	172,126.13	0.00	11,659.28	(263.43)	9,552.20	336,276.53
Loan Account: 61000919	10.09%	800,000.00	381,531.57	338,485.08	55,909.67	0.00	33,081.10	2,790.45	19,406.47	6,056,576.92
Loan Account: 61000920	10.89%	7,000,000.00	5,945,576.54	6,003,920.59	145,896.47	0.00	577,299.90	52,656.33	320,403.05	1,374,842.67
Loan Account: 61000921	10.83%	1,850,000.00	1,331,648.51	1,362,739.74	15,838.06	0.00	131,733.66	12,102.93	72,701.44	8,952,276.09
Loan Account: 61007238	5.00%	11,980,174.80	9,151,068.88	8,915,031.06	360,483.27	0.00	412,327.46	37,245.03	230,657.08	20,932,023.61
Loan Account: 61007195	9.83%	41,232,000.00	24,543,000.63	20,762,581.42	4,441,790.34	0.00	2,052,096.57	169,442.19	1,221,283.25	116,078,823.92
Loan Account: 61007195	10.40%	122,185,000.00	113,559,100.74	115,096,076.37	2,288,910.97	0.00	10,739,885.67	982,747.55	5,921,251.52	286,275,244.94
Loan Account: 3042598105	11.44%	284,839,959.00	293,514,447.43	283,448,942.75	4,199,018.35	0.00	28,932,091.44	2,826,302.19	31,972,275.58	
Totals			487,877,652.17	470,790,031.04	16,020,642.62	0.00	46,165,811.12	4,366,863.57	42,865,926.11	475,156,894.61

BALANCE PER STATEMENT
 BALANCE PER GENERAL LEDGER
 DIFF - STATEMENT VS GEN LED
 ROUNDING OFF

475,156,894.95
 (0.34)

PREPARED BY:

 C. HARIPARSAD

REVIEWED BY:

 SP HLATHSWAYO

REVIEWED BY:

 MS NDLOVU

AUTHORIZED BY:

 SW NKOSI
 ACTING STRATEGIC
 EXECUTIVE DIRECTOR:
 BUDGET & TREASURY
 OFFICE

ACCOUNTANT: GEN ACCOUNT & ADMIN SERVICES
 DIRECTOR: BUDGET & FINANCIAL REFORMS

NEWCASTLE MUNICIPALITY
FINANCIAL REPORTING
MAY 2017

Monthly Bank Reconciliation as at 2017/05/31

Cashbook balance as at 2017/05/31	951,606.53
<u>ADD</u>	
Cheque and EFT payments not cashed by 2017/05/31	647,464.85
Bank deposits not received by 2017/05/31	7,425,223.20
Bank deposits received after 2017/05/31	3,936,845.69
Correction of JV s	64,321.26
Income journal not done by 2017/05/31	1,568.70
Subtotal	<u>12,075,423.70</u>
<u>LESS</u>	
Cashier receipts banked after 2017/05/31	-694,954.31
Bank charges done after 2017/05/31	-908,544.75
Dishonoured cheques not journalised by 2017/05/31	-40,986.32
Debit orders not journalised by 2017/05/31	-257,920.11
ACB income journal overstated	-1,212.61
Cashiers under banked as at 2017/05/31	-5,218.35
Receipts to be cancelled	-47.37
Subtotal	<u>-1,908,883.82</u>
Total	<u><u>11,118,146.41</u></u>
Bank statement balance as at 2017/05/31 cheque account	7,902,834.10
Bank statement balance as at 2017/05/31 collection account	3,215,312.31
	<u><u>11,118,146.41</u></u>
	0.00

Prepared by: C MOORE
Chief Clerk
Date : 2017/06/05

Reviewed by: S P HLATSHWAYO
Acting Manager: Financial reporting

M S NDLOVU
Director:
Budget and Financial Reforms

S M NKOSI
Acting Strategic Executive Director:
Budget & Treasury Office